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.

CITY OF OXNARD CALIFORNIA

AGENDA
OXNARD CITY COUNCIL
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
OXNARD FINANCING AUTHORITY
OXNARD HOUSING AUTHORITY
Council Chambers, 305 West Third Street
October 3, 2017
Regular Meeting - 6:00 PM
Closed Session - 4:30 PM

A. ROLL CALL/POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council.

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. Public Employee Performance Evaluation

CC Title: 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 performance evaluation).

D. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

E. CEREMONIAL CALENDAR

1. SUBJECT: Presentation of a Resolution to Nelson "Randy" Latimer for Thirty-One Years of Outstanding Service to the City of Oxnard.

2. SUBJECT: Presentation by the New West Symphony Regarding the 2017/2018 Season.

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.

3. SUBJECT: Presentation of a Proclamation Designating the Month of October, 2017 as "Multicultural Month."

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of thirty minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to three minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the thirty minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager/ Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

G. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

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

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

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

I. REVIEW OF INFORMATION/CONSENT AGENDA

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

J. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

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

K. INFORMATION CONSENT AGENDA

City 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. Quinn Power Systems (Purchase Order No. 6497) to purchase a trailer-mounted emergency generator from Quinn Power Systems ($70,689).
B. Cortech (Purchase Order No. 6501) to purchase a membrane cleaning heater for the AWPF reverse osmosis process ($51,973).
C. Rincon Consultants (Agreement No. 7690-16-DS) to prepare environmental documents for Rio Urbana project ($29,228).
Legislative Body: CC Contact: Greg Nyhoff Phone: 385-7430

Finance Department

2. SUBJECT: Financial Advisor Agreement Amendment
RECOMMENDATION: That City Council authorize the Mayor to execute a fourth amendment, through September 30, 2017, with First Southwest Advisors for financial advisory services relating to financial analysis and professional services associated with management and issuance of the long-term debt of the City of Oxnard for not to exceed $215,000 contingent upon final review and approval of the City Attorney and Risk Manager.
Legislative Body: CC Contact: Jim Throop Phone: 385-7475

Human Resources Department

3. SUBJECT: Resolutions of the City Council of the City of Oxnard Amending Resolution No. 15,029 (Salary and Classification Schedule) and Amending Resolution No. 15,028 (Authorization of Full-Time Equivalent Positions).
RECOMMENDATION: That City Council adopt the attached resolutions amending the Classification and Salary Resolution and amending the Position Control Resolution for the City of Oxnard related to the Media and Community Relations Manager.
Legislative Body: CC Contact: Steve Naveau Phone: 385-7947

Information Technology Department

4. SUBJECT: Extension of Agreement with Superion LLC for Enterprise Resource Planning Software
RECOMMENDATION: That City Council approve and authorize the Mayor to execute Agreement A-8011 with Superion LLC for continuation of the Superion License Agreement, Transaction Manager and Disaster Recovery Services for a two year period. The annual cost for these services is approximately $180,000.

Legislative Body: CC Contact: Keith Brooks Phone: 385-7597

L. REPORTS

Finance Department

1. SUBJECT: Three Year Contract for Monthly Maintenance of the Ball Fields at Riverpark CFD 5 (5/5/5)
   RECOMMENDATION: That City Council authorize the Mayor to execute Agreement A-8009 with BrightView Landscape Service, Inc. in the amount of $684,948 for the Riverpark Ball Fields monthly maintenance.
   Legislative Body: CC Contact: Jim Throop Phone: 385-7475

2. SUBJECT: Independent Financial Advisor Agreement (15/25/10)
   RECOMMENDATION: That City Council:

   1. Authorize the Mayor to execute a three-year agreement for not to exceed $300,000, with an option for two one-year extensions, with NHA Advisors for financial advisory services relating to financial analysis and professional services associated with management and issuance of the long-term debt of the City of Oxnard and any other financial analysis and assistance as deemed needed; and

   2. Approve appropriations in the amount of $100,000 to supplement appropriations approved in the Fiscal 2017-2018 budget for financial advisory services. Future appropriations will be part of the budgetary process.
   Legislative Body: CC Contact: Jim Throop Phone: 385-7475

Information Technology Department

3. SUBJECT: Enterprise Resource Planning Specification & Procurement Project Update (10/15/15)
   RECOMMENDATION: That City Council: 1. Receive a status update report on the Enterprise Resource Planning Specification and Procurement project; and 2. Authorize the City to release a Request for Proposal for the replacement of the Enterprise Resource Planning system.
   Legislative Body: CC Contact: Keith Brooks Phone: 385-7597

Public Works Department

4. SUBJECT: Amend the City of Oxnard Budget for Fiscal Year 2017-2018 to Add a List of Road Maintenance and Rehabilitation Projects (5/5/5)
   RECOMMENDATION: That City Council approve a resolution authorizing:

   1. To amend the City of Oxnard's budget for Fiscal Year 2017-2018 by adding a road maintenance and rehabilitation project in the Auto Center Neighborhood; and

2. To approve a budget appropriation in the amount of $1,800,000 from Road Maintenance and Rehabilitation Account (RMRA) Gas Tax Fund 181 and Street Maintenance Fund 105.
Legislative Body: CC Contact: Thien Ng Phone: 432-3575

5. SUBJECT: Report on the Public Works Integrated Master Plan (20/10/10)
RECOMMENDATION: That City Council receive and file the Revised Final Draft Public Works Integrated Master Plan.
Legislative Body: CC Contact: Thien Ng Phone: 432-3575

M. ADJOURNMENT

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CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD COMMENDING NELSON "RANDY" LATIMER FOR THIRTY-ONE YEARS OF OUTSTANDING SERVICE TO THE CITY OF OXNARD

WHEREAS, Commander Randy Latimer has given over thirty-one years of outstanding service to the City of Oxnard as a member of the Oxnard Police Department; and

WHEREAS, Commander Latimer began his career as an Oxnard Police Department Traffic Cadet in January of 1984 where his passion for public service was ignited. He attended the Ventura County Police and Sheriff's Academy in 1986 as a Ventura County Sheriff's Deputy and returned home to the Oxnard Police Department in 1988; and

WHEREAS, Commander Latimer began work in the Field Services Bureau in patrol; in 1995 Commander Latimer was awarded an assignment to the Traffic Unit as a Motor Officer; and

WHEREAS, in 1996 Commander Latimer was selected as a SWAT/SEU Team Member where he served for seven years. During his SWAT/SEU assignment, he worked on the FBI-Violent Crimes Task Force. As a SWAT/SEU Team Member, Commander Latimer was awarded the "Medal of Merit" for his actions during a hostage incident at a local high school in 2001; and

WHEREAS, in 2002, Commander Latimer was assigned to the Youth Services Division where he served as a Police Activities League Co-Director. He was then promoted to Senior Police Officer in 2002 staying with the Youth Services Division. In 2003 Commander Latimer returned to the Traffic Unit where he served as the Department's Traffic Coordinator; and

WHEREAS, in 2006, Commander Latimer was promoted to Sergeant and supervised officers in the Field Services Bureau. In 2006, he was assigned to the Professional Standards Division and in 2009, he was selected as the Traffic Sergeant and served in that capacity until 2013; and

WHEREAS, in 2013 Randy Latimer was promoted to Commander assigned to the Field Services Bureau as a Patrol Watch Commander. He was assigned as the Professional Standards Commander in 2014 where he served for one year. In 2015, Commander Latimer was assigned as the Special Projects Commander where he oversaw the Traffic Unit, Booking Unit, Community Service Officers, Animal Safety, Special Event Coordination, Alcohol Compliance, Public Safety Dive Team, and served in this position until his retirement; and

NOW, THEREFORE, the City Council of the City of Oxnard does hereby resolve to commend and extend its gratitude to Commander Randy Latimer for thirty-one years of dedicated public service, for his significant leadership role as a member of the Oxnard Police Department and offer best wishes for a fulfilling retirement with family and friends.

PASSED AND ADOPTED THIS 3rd day of October 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____

Tim Flynn, Mayor

ATTEST:

____

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

____

Stephen M. Fischer, City Attorney

CITY OF OXNARD CALIFORNIA	**CITY COUNCIL** **AGENDA REPORT**	**TYPE OF ITEM: Info/Consent** **AGENDA ITEM NO.: 1**

DATE: October 3, 2017

TO: City Council

FROM: Greg Nyhoff
City Manager

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. Quinn Power Systems (Purchase Order No. 6497) to purchase a trailer-mounted emergency generator from Quinn Power Systems ($70,689).
B. Cortech (Purchase Order No. 6501) to purchase a membrane cleaning heater for the AWPF reverse osmosis process ($51,973).
C. Rincon Consultants (Agreement No. 7690-16-DS) to prepare environmental documents for Rio Urbana project ($29,228).

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

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 October 3, 2017

City Manager Contract List for 10/03/2017

Contracts from $25,000 to $250,000

A Purchase of a Trailer-mounted Emergency Generator

Vendor:	Quinn Power Systems	**Amount to be Approved:**	$70,689
Type:	Purchase Order	**Current FY Amount:**	$70,689
Agreement No.:		**Total Contract Amount:**	$70,689
Amendment No.:	N/A	**Funding Source:**	Wastewater Treatment Operating Funds
Purchase Order No.:	6497	**Vendor Selection Process:**	Joint Purchase
Begin Date:	06/27/2017	**# of Bids/Proposals/Quotes:**	N/A
End Date:	09/30/2017	**Project Manager:**	Thien Ng, Interim Public Works Director
Term:	3 months	**Department:**	Public Works/Wastewater Division
		Telephone:	432-3575
		Email:	thien.ng@oxnard.org

Purpose:

Staff is requesting authorization to purchase a trailer-mounted emergency generator from Quinn Power Systems (Purchase Order No. 6497) in the amount of $70,689, through a joint purchase agreement with National Joint Powers Alliance (NJPA) program. Quinn Power Systems is the local program supplier for this equipment.

NJPA is a municipal national contracting agency that establishes and provides nationally leveraged and competitively solicited purchasing contracts under the guidance of the Uniform Municipal Contracting Law.

B Reverse Osmosis Membrane Cleaning Heater

Vendor:	Cortech	**Amount to be Approved:**	$51,973
Type:	Purchase Order	**Current FY Amount:**	$51,973
Agreement No.:		**Total Contract Amount:**	$51,973
Amendment No.:	N/A	**Funding Source:**	Water Operating Funds
Purchase Order No.:	6501	**Vendor Selection Process:**	Negotiated Contract
Begin Date:	09/05/2017	**# of Bids/Proposals/Quotes:**	1
End Date:	02/28/2017	**Project Manager:**	Thien Ng, Interim Public Works Director
Term:	6 months	**Department:**	Public Works/Wastewater
		Telephone:	432-3575
		Email:	thien.ng@oxnard.org

Purpose:

Staff is requesting authorization to purchase a membrane cleaning heater from Cortech (Purchase Order No. 6501) in the amount of $51,973 for the AWPF reverse osmosis process.

As part of the AWPF reverse osmosis process, a warm chemical solution is used to clean the membrane fibers. A heating unit is installed in a cleaning tank to warm up a chemical solution. The heater unit has failed and been determined to be non-repairable by the manufacturer and it is no longer under warranty requiring replacement.

The existing heater is manufactured by Chromalox. During the construction of the AWPF in 2009, Chromalox was selected as the lowest and responsible manufacturer; therefore, the replacement heater is a sole source purchase from Cortech, the only approved Chromalox representative in Southern California.

City Manager Contract List for 10/03/2017

Contracts from $25,000 to $250,000

C Preparation of the IS ND/MND for the proposed Rio Urbana project

Vendor:	Rincon Consultants	**Amount to be Approved:**	$29,228
Type:	Task Order	**Current FY Amount:**	$29,228
Agreement No.:	7690-16-DS	**Total Contract Amount:**	$500,000
Amendment No.:	3	**Funding Source:**	Developer funded
Purchase Order No.:	6233	**Vendor Selection Process:**	Request for Proposals (RFP)
Begin Date:	02/01/2017	**# of Bids/Proposals/Quotes:**	4
End Date:	06/30/2019	**Project Manager:**	Kathleen Mallory
Term:	2 years 5 months	**Department:**	Development Services
		Telephone:	(805) 385-8370
		Email:	kathleen.mallory@oxnard.org

Purpose:

Staff is requesting authorization to enter into Task Order No. 3 with Rincon Consultants, Inc. (Agreement No. 7690-16-DS) for on call contract planning services with the City of Oxnard. The processing and environmental document preparation will be handled via a contract planner, through Rincon Consultants.

Task Order 3, will allow Rincon to prepare an Initial Study (IS) and Negative Declaration/Mitigated Negative Declaration (ND/MND). This project, known as the Rio Urbana project, located at 2714 Vineyard Avenue is proposed on the 10.24 acres - Rio School District Surplus Facility. Approval of the project will include the following entitlement actions:

- ☐ PZ 17-610-01 Annexation to the City of Oxnard, Detachment from Ventura County.
- ☐ PZ 17-620-01 General Plan Amendment (from SCH-School to CG-Commercial General).
- ☐ PZ 17-560-01 Pre-zoning (to General Commercial, C-2)
- ☐ PZ 17-300-03 Tentative Subdivision Map
- ☐ PZ 17-500-05 Special Use Permit (residential uses and office building)
- ☐ PZ 17-535-02 State Density Bonus

The cost to prepare the IS/MND will be $29,228 which will be paid by the Developer.

	CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Info/Consent AGENDA ITEM NO.: 2

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Jim Throop
Chief Financial Officer

Jim Throop

SUBJECT: Financial Advisor Agreement Amendment

CONTACT: Jim Throop, Chief Financial Officer
Jim.Throop@oxnard.org, 385-7475

RECOMMENDATION:

That City Council authorize the Mayor to execute a fourth amendment, through September 30, 2017, with First Southwest Advisors for financial advisory services relating to financial analysis and professional services associated with management and issuance of the long-term debt of the City of Oxnard for not to exceed $215,000 contingent upon final review and approval of the City Attorney and Risk Manager.

BACKGROUND

The City of Oxnard has worked with FirstSouthwest, a Division of Hilltop Securities, for financial advisory services since February 2014. There have been three amendments that have extended the agreement through June 30, 2017.

Due to the agreement with the FirstSouthwest expiring, this required the City to issue an RFP for financial advisory services, and as such, a new financial advisory firm was selected.

In order to continue to use the services of the current financial advisor until the start of the new agreement with the new financial advisor, and to make payments on existing invoices and possible new invoices from their continuing work on the City's financials, such as the Letters of Credit, it is necessary to request Council to approve the amendment.

This amendment will be the final one, as the contract with the new financial advisory firm is scheduled to begin October 1, 2017.

FINANCIAL IMPACT

This amendment requires an additional $55,000 in funding to cover current invoices, as well as any possible invoices through the end of September 2017, for work performed on behalf of the City. The funding would come from Finance Administration Professional Contract (account 101-1600-801-8209) to cover the anticipated costs. This will be the final amendment for this agreement.

CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Info/Consent AGENDA ITEM NO.: 3

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

Greg Nyhoff

FROM: Steve Naveau
Director of Human Resources

SUBJECT: Resolutions of the City Council of the City of Oxnard Amending Resolution No. 15,029 (Salary and Classification Schedule) and Amending Resolution No. 15,028 (Authorization of Full-Time Equivalent Positions).

CONTACT: Steve Naveau, Director of Human Resources
Steve.Naveau@oxnard.org, 385-7947

RECOMMENDATION:

That City Council adopt the attached resolutions amending the Classification and Salary Resolution and amending the Position Control Resolution for the City of Oxnard related to the Media and Community Relations Manager.

BACKGROUND

At the time the new fiscal year budget was passed, an issue remained outstanding which once resolved needed to come to Council for adoption. The attached resolutions address the issue without creating any increases in the department's budget.

City Manager's Office – The action of deleting the Public Relations and Community Affairs Manager and replacing it with a Media and Community Relations Manager is designed to more accurately reflect the work that the department is expecting the new employee to perform as well as providing a job title that is more in alignment with industry standards. In addition the salary is augmented to reflect the management duties and responsibilities associated with managing the neighborhood services and public information staff and providing senior management expertise to the city.

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:

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

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

Objective 2b. Improve relationships and communication between the City and the business community.

FINANCIAL IMPACT

The Media and Community Relations Manager position is a higher classification (M67) than the former position Public Relations & Community Affairs Manager (M66). Mid-management positions have pay ranges with a minimum (lower) and a maximum (upper). The difference in salary at the top of the range is $12,752 or 10%. Hiring will occur within the new range. Salary vacancy savings are sufficient in the City Manager's Office budget to cover any difference in salary and benefits.

ATTACHMENTS:

Attachment A - Classification and Salary Resolution

Attachment B - Allocation Resolution

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING RESOLUTION NO. 15,029 PURSUANT TO CHAPTER 4 OF THE CITY PERSONNEL RULES AND REGULATIONS

WHEREAS, Chapter 4, Article 4.5 of the City of Oxnard Personnel Rules and Regulations requires that the City of Oxnard classification listing all classes of positions in the general city service be established by resolution of the City Council; and,

WHEREAS, Chapter 4, Article 4.9 of the City of Oxnard Personnel Rules and Regulations provides that when needed, the City Manager shall recommend new classifications to the City Council for consideration; and,

NOW, THEREFORE, the City Council of the City of Oxnard resolves to amend Resolution No. 15,029 as follows:

1. In ACCORDANCE WITH Chapter 4, Articles 4.5, 4.7, 4.8 and 4.9 of the City of Oxnard Personnel Rules and Regulations, the following classification and salary range is established effective October 3, 2017:

Salary Grade	Classification Title	FLSA Status	Union Code	Compensation Frequency	Hourly (H)/ Salary (S) Range
M67	Media & Community Relations Manager	E	OMMA	Salaried	$ 97,950 – 148,409 (S)

PASSED AND ADOPTED this 3rd day of October, 2017, by the following vote:

YES:

NOES:

ABSENT:

ABSTAIN:

____
Tim Flynn, Mayor

ATTEST:

____
Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

____
Stephen M. Fischer, City Attorney

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING RESOLUTION NO. 15,028 PURSUANT TO CHAPTER 4 OF THE CITY PERSONNEL RULES AND REGULATIONS

WHEREAS, Chapter 4, Article 4.7 of the City of Oxnard Personnel Rules and Regulations provides that the City Manager from time to time may revise the number of positions in each classification as necessary to perform the work of the classification, provided that the total expense to be incurred for such work shall be limited to the amount appropriated by the City Council for the classification.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to amend Resolution No. 15,028 as follows:

Department	**Classification Title**	**Current Allocation**	**Change**	**New Allocation**
City Manager's Office	Public Relations Community Affairs Manager	1	-1	0
City Manager's Office	Media & Community Relations Manager	0	+1	1

PASSED AND ADOPTED this 3rd day of October, 2017, by the following vote:

YES:

NOES:

ABSENT:

ABSTAIN:

____
Tim Flynn, Mayor

ATTEST:

____
Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

____
Stephen M. Fischer, City Attorney

CITY OF OXNARD CALIFORNIA	**CITY COUNCIL** **AGENDA REPORT**	**TYPE OF ITEM: Info/Consent** **AGENDA ITEM NO.: 4**

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Keith Brooks
IT Director

SUBJECT: Extension of Agreement with Superion LLC for Enterprise Resource Planning Software

CONTACT: Keith Brooks, IT Director
Keith.Brooks@Oxnard.org, 385-7597

RECOMMENDATION:

That City Council approve and authorize the Mayor to execute Agreement A-8011 with Superion LLC for continuation of the Superion License Agreement, Transaction Manager and Disaster Recovery Services for a two year period. The annual cost for these services is approximately $180,000.

BACKGROUND

The City has been using Sungard HTE components for its ERP system since 1988. Now known as Superion LLC, the company provides the City with an annual license for the use of the system including a license for the use of the Naviline desktop interface. Another service provided by Superion is disaster recovery of the ERP system in case of total local loss of data. A third component of the company's service is known as Superion Transaction Manager and this is an interface that allows citizens to be able to make online payments for services. With this new agreement, there will be one master agreement between the City and Superion for these services.

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.

Goal 2. Increase transparency with Council, community and staff related to the City's budget and financial management processes.

Objective 2a. Initiate a priority based budgeting program incorporating departmental performance measures and the Council Strategic priorities.

Objective 2b. Prepare Quarterly Budget Updates and have month-end financial reports available via City's Website.

Objective 2c. Create a standardized template to present financial and other data to the general public.

FINANCIAL IMPACT

For the use of the HTE and Naviline systems, the license cost to the City is approximately $135,000 per year. There is approximately an additional $37,000 per year in disaster recovery charges to safeguard the City's critical data in case of catastrophic data loss. The third service component with Superion is the interface between the HTE system and the City's merchant services processors to allow citizen to be able to make payments directly online. This is called Superion Transaction Manager. The cost for this service varies according to usage and averages approximately $8,000 per year. Funds for these expenses have been included in IT Department's 2017-2018 operating budget.

ATTACHMENTS:

Attachment A: Superion LLC Agreement A-8011

Agreement No. A-8011

SOFTWARE MAINTENANCE AGREEMENT

BETWEEN

Superion, LLC
a Florida Limited Liability Corporation

with headquarters at:

1000 Business Center Drive
Lake Mary, FL 32746

("Superion")

AND

City of Oxnard
300 West Third Street
Oxnard, CA 93030

(for purposes of this Agreement, "Customer")

THIS AGREEMENT is entered into between Superion and Customer on the Execution Date, and Superion's obligations hereunder will commence on Execution Date.

Superion and Customer have entered into a Software License and Services Agreement dated December 26, 2006 (the "License Agreement") for the Software. Customer desires that Superion provide Maintenance and Enhancements for and new releases of the Baseline Software identified in the attached exhibits on the terms and conditions contained in this Agreement, and for the Custom Modifications identified in Exhibit 1 on the terms and conditions of this Agreement. Customer further desires that Superion provide Disaster Recovery Services as specified and identified in Exhibit 3 of this Agreement. In addition, Customer desires the use of the Superion Transaction Manager as specified within Exhibit 4. Accordingly, the parties agree as follows:

1. **Definitions.**

"Exhibit" means, collectively: (i) The schedules attached to this Agreement including all attached Software Supplements; and (ii) any schedule also marked as "Exhibit" (also including any attached Software Supplements) that is attached to any amendment to this Agreement. Other appendices to this Agreement are numbered sequentially and are also "Appendices."

"Baseline" means the general release version of a Component System as updated to the particular time in question through both Superion's warranty services and Superion's Maintenance Program, but without any other modification whatsoever.

"Component System" means any one of the computer software programs which is identified in the exhibits as a Component System, including all copies of Source Code, Object Code and all related specifications, Documentation, technical information, and all corrections, modifications, additions, improvements and enhancements to and all Intellectual Property Rights for such Component System.

"Confidential Information" means trade secret information of the disclosing party which is designated as trade secret prior to or at the time of disclosure to the Recipient. Confidential Information of Superion includes the Software, all software provided with the Software, and algorithms, methods, techniques and processes revealed by the Source Code of the Software and any software provided with the Software. Confidential Information does not include information that: (i) is or becomes known to the public without fault or breach of the Recipient; (ii) the Discloser regularly discloses to third parties without restriction on disclosure; (iii) the Recipient obtains from a third party without restriction on disclosure and without breach of a non-disclosure obligation; or (iv) is required to be disclosed pursuant to law.

"Discloser" means the party providing its Confidential Information to the Recipient.

"Documentation" means the on-line and hard copy functional and technical specifications that Superion provides for a Baseline Component System, and that describe the functional and technical capabilities of the Baseline Component System in question.

"Execution Date" means the latest date shown on the signature page of this Agreement.

"Equipment" means a hardware and systems software configuration meeting the "Equipment" criteria set forth in the exhibits.

"Intellectual Property Rights" means all patents, patent rights, patent applications, copyrights, copyright registrations, trade secrets, trademarks and service marks and Confidential Information.

"Software" means the Component Systems listed in the exhibits.

"Object Code" means computer programs assembled, compiled, or converted to magnetic or electronic binary form on software media, which are readable and usable by computer equipment.

"Recipient" means the party receiving Confidential Information of the Discloser.

"Software Supplement" means, with respect to a Component System, the addendum provided as part of the exhibits that contains additional terms, conditions, limitations and/or other information pertaining to that Component System. If any terms of a Software Supplement conflicts with any other terms of this Agreement, the terms of the Software Supplement will control.

"Source Code" means computer programs written in higher-level programming languages, sometimes accompanied by English language comments and other programmer documentation.

"Contract Year" means, with respect to each Baseline Component System and Custom Modification, the period identified in the exhibits.

"Custom Modification" means a change that Superion has made at Customer's request to any Component System in accordance with a Superion-generated specification, but without any other changes whatsoever by any person or entity. Each Custom Modification for which Superion will provide Customer with Improvements is identified in the exhibits.

"Defect" means a material deviation between the Baseline Component System and its Documentation, for which Defect Customer has given Superion enough information to enable Superion to replicate the deviation on a computer configuration that is both comparable to the Equipment and that is under Superion's control. Further, with regard to each Custom Modification, "Defect" means a material deviation between the Custom Modification and the Superion-generated specification and documentation for such Custom Modification, and for which Defect Customer has given Superion enough information to enable Superion to replicate the deviation on a computer configuration that is both comparable to the Equipment and that is under Superion's control.

"Enhancements" means general release (as opposed to custom) changes to a Baseline Component System or Custom Modification which increase the functionality of the Baseline Component System or Custom Modification in question.

"Improvements" means, collectively, Maintenance, Enhancements and New Releases provided under this Agreement.

"Maintenance" means using reasonable efforts to provide Customer with avoidance procedures for or corrections of Defects. The hours during which Maintenance will be provided for each Component System, the targeted response times for certain defined categories of Maintenance calls for each Component System and Custom Modification, and other details and procedures (collectively, the "Maintenance Standards") relating to the provision of Maintenance for each Component System and Custom Modification are described in attached Exhibit 2.

"New Releases" means new editions of a Baseline Component System or Custom Modification, as applicable.

"Notification" means a communication to Superion's help desk by means of: (i) Superion's web helpline; (ii) the placement of a telephone call; or (iii) the sending of an e-mail, in each case, in accordance with Superion's then-current policies and procedures for submitting such communications.

2. Services.

(a) Types of Services. During the term of this Agreement, Superion will provide Customer with Maintenance for, Enhancements of, and New Releases of each Baseline Component System and each Custom Modification identified in the exhibits.

(b) Limitations. All Improvements will be part of the applicable Baseline Component System/Custom Modification, and will be subject to all of the terms and conditions of the License Agreement and this Agreement. Customer must provide Superion with such facilities, equipment and support as are reasonably necessary for Superion to perform its obligations under this Agreement, including remote access to the Equipment.

3. Payment and Taxes.

(a) Maintenance Fees. For the Improvements, Customer will pay Superion the amounts provided for in the exhibits as the "Payment Amount" for the first Contract Year. For each Contract Year subsequent to the initial Contract Year, Superion reserves the right to increase the Improvements fees. An increase in annual fees shall require written agreement of Superion and Customer. Fees for Improvements for a Baseline Component System/Custom Modification are due on the first day of the first month of the Contract Year for that Baseline Component System/Custom Modification.

(b) Additional Costs. Customer will also reimburse Superion for actual travel and living expenses that Superion incurs in providing Customer with Improvements under this Agreement, with reimbursement to be on an as-incurred basis. Such travel and living expenses will be governed by Superion's Corporate Travel and Expense Reimbursement Policy and will be invoiced on a monthly basis in arrears and due within thirty (30) days from the date of invoice.

(c) Taxes. Customer is responsible for paying all taxes (except for taxes based on Superion's net income or capital stock) relating to this Agreement, the Improvements, any services provided or payments made under this Agreement. Applicable tax amounts (if any) are NOT included in the fees set forth in this Agreement. If Customer is exempt from the payment of any such taxes, Customer must provide Superion with a valid tax exemption certificate; otherwise, absent proof of Customer's direct payment of such tax amounts to the applicable taxing authority, Superion will invoice Customer for and Customer will pay to Superion all such tax amounts.

4. Term. This Agreement will remain in full force and effect throughout the initial Contract Year. After the initial Contract Year, this Agreement will renew for an additional Contract Year unless, at least three (3) months prior to the expiration of the initial Contract Year, Customer notifies Superion in writing of Customer's intent not to renew the Agreement for the second Contract Year. After the second Contract Year, this Agreement will automatically be extended for consecutive Contract Years on a year-to-year basis unless either party notifies the other in writing of its intent not to extend this Agreement for any particular Baseline Component System/Custom Modification at least three (3) months prior to the expiration of the then-current Contract Year.

5. Disclaimer of Warranties. Customer agrees and understands that **SUPERION MAKES NO WARRANTIES WHATSOEVER, EXPRESSED OR IMPLIED, WITH REGARD TO ANY IMPROVEMENTS AND/OR ANY OTHER MATTER RELATING TO THIS AGREEMENT, AND THAT SUPERION EXPLICITLY DISCLAIMS ALL WARRANTIES**

OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. FURTHER, SUPERION EXPRESSLY DOES NOT WARRANT THAT A COMPONENT SYSTEM, ANY CUSTOM MODIFICATION OR ANY IMPROVEMENTS WILL BE USABLE BY CUSTOMER IF THE COMPONENT SYSTEM OR CUSTOM MODIFICATION HAS BEEN MODIFIED BY ANYONE OTHER THAN SUPERION, OR WILL BE ERROR FREE, WILL OPERATE WITHOUT INTERRUPTION OR WILL BE COMPATIBLE WITH ANY HARDWARE OR SOFTWARE OTHER THAN THE EQUIPMENT.

6. Termination. A party has the right to terminate this Agreement if the other party breaches a material provision of this Agreement. Either party has the right to terminate this Agreement at any time while an event or condition giving rise to the right of termination exists. To terminate this Agreement, the party seeking termination must give the other party notice that describes the event or condition of termination in reasonable detail. From the date of its receipt of that notice, the other party will have thirty (30) days to cure the breach to the reasonable satisfaction of the party desiring termination. If the event or condition giving rise to the right of termination is not cured within that period, then the party seeking to terminate this Agreement can effect such termination by providing the other party with a termination notice that specifies the effective date of such termination. Termination of this Agreement will be without prejudice to the terminating party's other rights and remedies pursuant to this Agreement.

7. Confidential Information. Except as otherwise permitted under this Agreement, the Recipient will not knowingly disclose to any third party, or make any use of the Discloser's Confidential Information. The Recipient will use at least the same standard of care to maintain the confidentiality of the Discloser's Confidential Information that it uses to maintain the confidentiality of its own Confidential Information of equal importance. Except in connection with the Software and any software provided with the Software, the non-disclosure and non-use obligations of this Agreement will remain in full force with respect to each item of Confidential Information for a period of ten (10) years after Recipient's receipt of that item and provided the public records exception continues to be met.- However, Customer's obligations to maintain both the Software and any software provided with the Software as confidential will survive in perpetuity.

8. Notices. All notices and other communications required or permitted under this Agreement must be in writing and will be deemed given when: Delivered personally; sent by United States registered or certified mail, return receipt requested; transmitted by facsimile confirmed by United States first class mail; or sent by overnight courier. Notices must be sent to a party at its address shown on the first page of this Agreement, or to such other place as the party may subsequently designate for its receipt of notices.

9. Force Majeure. Neither party will be liable to the other for any failure or delay in performance under this Agreement due to circumstances beyond its reasonable control, including Acts of God, acts of war, accident, labor disruption, acts, omissions and defaults of third parties and official, governmental and judicial action not the fault of the party failing or delaying in performance.

10. Assignment. Neither party may assign any of its rights or obligations under this Agreement, and any attempt at such assignment will be void without the prior written consent of the other party. For purposes of this Agreement, "assignment" will include use of the Software for benefit of any third party to a merger, acquisition and/or other consolidation by, with or of Customer, including any new or surviving entity that results from such merger, acquisition and/or other consolidation. However, the following will not be considered "assignments" for purposes of this Agreement: Superion's assignment of this Agreement or of any Superion rights under this Agreement to Superion's successor by merger or consolidation or to any person or entity that acquires all or substantially all of its capital stock or assets; and Superion's assignment of this Agreement to any person or entity to which Superion transfers any of its rights in the Software.

11. No Waiver. A party's failure to enforce its rights with respect to any single or continuing breach of this Agreement will not act as a waiver of the right of that party to later enforce any such rights or to enforce any other or any subsequent breach.

12. <u>Choice of Law; Severability.</u> This Agreement will be governed by and construed under the laws of the State of California, without reference to the choice of laws provisions thereof. If any provision of this Agreement is illegal or unenforceable, it will be deemed stricken from the Agreement and the remaining provisions of the Agreement will remain in full force and effect.

13. <u>LIMITATIONS OF LIABILITY.</u>

(a) <u>LIMITED LIABILITY OF SUPERION.</u> SUPERION'S LIABILITY IN CONNECTION WITH THE IMPROVEMENTS OR ANY OTHER MATTER RELATING TO THIS AGREEMENT WILL NOT EXCEED THE FEES THAT CUSTOMER ACTUALLY PAID TO SUPERION FOR THE IMPROVEMENTS FOR THE YEAR THAT SUCH LIABILITY ARISES.

(b) <u>EXCLUSION OF DAMAGES.</u> REGARDLESS OF WHETHER ANY REMEDY SET FORTH HEREIN FAILS OF ITS ESSENTIAL PURPOSE OR OTHERWISE, IN NO EVENT WILL SUPERION BE LIABLE TO CUSTOMER FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, WHETHER BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY, OR OTHERWISE, AND WHETHER OR NOT SUPERION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

(c) <u>BASIS OF THE BARGAIN.</u> CUSTOMER ACKNOWLEDGES THAT SUPERION HAS SET ITS FEES AND ENTERED INTO THIS AGREEMENT IN RELIANCE UPON THE LIMITATIONS OF LIABILITY AND THE DISCLAIMERS OF WARRANTIES AND DAMAGES SET FORTH IN THIS AGREEMENT, AND THAT THE SAME FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES.

14. <u>Entire Agreement.</u> This Agreement contains the entire understanding of the parties with respect to its subject matter, and supersedes and extinguishes all prior oral and written communications between the parties about its subject matter. Any purchase order or similar document which may be issued by Customer in connection with this Agreement does not modify this Agreement. No modification of this Agreement will be effective unless it is in writing, is signed by each party, and expressly provides that it amends this Agreement.

By the signatures of their duly authorized representatives below, Superion and Customer, intending to be legally bound, agree to all of the provisions of this Agreement and all Exhibits, Supplements, Schedules, Appendices, and/or Addenda to this Agreement.

CUSTOMER

Tim Flynn, Mayor — Date

ATTEST:

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

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney — Date

APPROVED AS TO CONTENT:

Raja Bamrungpong,
Project Manager (required for any agreement amount) — Date

Keith Brooks,
Department Head — Date

APPROVED AS TO AMOUNT:

Greg Nyhoff, City Manager — Date

APPROVED AS TO INSURANCE:

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

SUPERION

DocuSigned by:
6F096AD3B12F426...

Tom Amburgey, VP & General Manager — Date 9/7/2017

Lisa Neumann Controller — Date 9/7/17

The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC; or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

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

PLEASE DO NOT REMOVE THIS BOX

EXHIBIT 1

CONTRACT YEAR: July 1, 2017 through June 30, 2018 and each annual term thereafter.

Qty	Licensed Applications	Annual Support Term 7/01/2017-6/30/2018
1	NaviLine Click2Gov3 BP Wireless	$ 2,056.94
1	NaviLine Click2Gov3-Core Module	1351.00
1	NaviLine Click2Gov3-Occupational Licenses	3176.69
1	NaviLine Click2Gov3 - Customer Information System Module	5160.59
1	Cognos BI: Base Bundle Multi Data Source - NaviLine	1600.00
1	Procurement Card	2519.45
1	OnePoint Point of Sale	2050.85
1	Cash Receipts Credit Card Processing - AS400	742.46
1	BP Voice Response Selectron	2257.75
1	NAVI - Work Orders/Fac Mgmt.	8738.94
1	NAVI - Building Permits	6079.53
1	NAVI - Code Enforcement	3712.22
1	NAVI - Cash Receipts	3700.05
1	NAVI - Customer Information Systems	16419.00
1	NAVI - GMBA	14562.87
1	NAVI - Asset Management II - LF	0.00
1	NaviLine-Land/Parcel Management	5483.14
1	NAVI - Accounts Receivable	5148.42
1	NAVI - Occupational Licenses	5367.51
1	NAVI - PURCHASING INVENTORY	8002.59
1	NAVI - Payroll/Personnel	12031.27
1	NAVI - Planning/Engineering	8544.21
1	NAVI-DMS-Document Management Services	1235.38
1	CIS Voice Response Selectron	1947.40
1	CIX IVR Credit Card Interface	730.28
1	Cash Receipts Lock Box Interface	742.46
1	NAVI - Asset Management II	3523.57
36	Retrofit Modification Option	3600.00
1	Tax (Type - MA)	5056.33
		$ 135,540.90

***Improvements fees for current Contract Year are subject to change and will be specified by Superion in an annual invoice.**

Improvements fees are due thirty (30) days prior to the commencement of the Contract Year for which such fees are being remitted. Improvements fees for any subsequent Contract Year are subject to change and will be specified by Superion in an annual invoice.

APPLICABLE TAXES ARE NOT INCLUDED IN THIS EXHIBIT 1, AND, IF APPLICABLE, WILL BE ADDED TO THE AMOUNT IN THE PAYMENT INVOICE(S) BEING SENT SEPARATELY TO THE CUSTOMER.

<u>Improvements Surcharge Imposed In Certain Instances</u>: At the commencement of any Contract Year where Customer is operating on a version of a Baseline Component System that is more than two (2) general release versions behind the then-current release for any Component System, Superion will

assess a ten percent (10%) surcharge over and above the Improvements fee for that Contract Year, with such surcharge to be imposed on a prorated basis for the portion of the Contract Year that Customer remains on a general release version that is more than two (2) releases behind the then-current release of the Component Systems in question. Once Customer is using a release that is no more than two (2) general release versions behind the then-current release, the Improvements surcharge will be removed on a prospective basis, as of the date that Customer is using the release that is no more than two (2) general release versions behind the then-current release.

EXHIBIT 2
Maintenance Standards

I. **Hours During Which Superion's Telephone Support Will be Available to Customer in Connection with the Provision of Maintenance:** Unless otherwise noted in Exhibit 1, support hours are Monday through Friday, 8:00 A.M. to 5:00 P.M. Customer's Local Time within the continental United States, excluding holidays ("5x11").

II. **Targeted Response Times.** With respect to Superion's Maintenance obligations, Superion will use diligent, commercially reasonable efforts to respond to Notifications from Customer relating to the Baseline Component Systems/Custom Modifications identified in Exhibit 1 of this Agreement in accordance with the following guidelines with the time period to be measured beginning with the first applicable Superion "Telephone Support" hour occurring after Superion's receipt of the Notification:

Priority	Description	Response Goal*	Resolution Goal*
Urgent 1	A support issue shall be considered **Urgent** when it produces a Total System Failure; meaning Superion's Component Systems are not performing a process that has caused a complete work stoppage.	Superion has a stated goal to respond within 60 minutes of the issue being reported and have a resolution plan within 24 hours.	
Critical 2	A support issue shall be considered **Critical** when a critical failure in operations occurs; meaning Superion's Component Systems are not performing a critical process and prevents the continuation of basic operations. Critical problems do not have a workaround. This classification does not apply to intermittent problems.	Superion has a stated goal to respond within two hours of the issue being reported.	
Non-Critical 3	A support issue shall be considered **Non-Critical** when a non critical failure in operations occurs; meaning Superion's Component Systems are not performing non-critical processes, but the system is still usable for its intended purpose or there is a workaround.	Superion has a stated goal to respond within four hours of the issue being reported.	
Minor 4	A support issue will be considered **Minor** when the issue causes minor disruptions in the way tasks are performed, but does not affect workflow or operations. This may include cosmetic issues, general questions, and how to use certain features of the system.	Superion has a stated goal to respond within 24 hours of the issue being reported.	

** Measured from the moment a Case number is created. As used herein a "Case number" is created when a) Superion's support representative has been directly contacted by Customer either by phone, email, in person, or through Superion's online support portal, and b) when Superion's support representative assigns a case number and conveys that case number to the Customer.*

EXHIBIT 3
RECOVERY SOLUTIONS

Supplement to the Superion LLC. Services Agreement
Recovery Solutions – System Recovery Service

1. **Term:** Initial Term of this Agreement begins July 1, 2017 and expires twenty-four (24) months from the date the initial Monthly Administration Fee is due under this exhibit. However, for purposes of making all payments due for recovery services, this Agreement will be retroactive with a beginning date of April 1, 2017.

2. **Services Groups:** Monthly Administration Fees, Declaration Fee and Additional Fees

   a. **Start-Up Fee:** Includes all fees required to initiate these service, excluding any Travel and Living Expenses that may be incurred.
   b. **Monthly Administration Fee:** Fees paid to maintain service availability for term of this contract.
   c. **Declaration Fee:** A fee of Three Thousand Five Hundred Dollars and 00/100 ($3,500) is due upon the declaration of a disaster/emergency situation by a designated client representative. The Initial Use period following a declaration is up to thirty (30) days per declaration.
   d. **Additional Fees**: Additional fees are those that are available to the client but are not required as a function of providing the recovery service.
   e. **Additional Usage Fee**: After the Initial Use period there will be a Five Hundred Dollar and 00/100 ($500.00) per day fee.

	Applications and/or Services	Monthly Access Fee
Service	System Recovery Service (SRP)	$ 3,093.13
Additional Services	Annual Testing - Once Per Year	Included in Monthly Fee
	Total Proposed System:	$ 3,093.13

3. **Payment Terms:**

Monthly Administration Fee: Monthly Administration Fees will be due on the first of each month. Monthly Administration Fees will be invoiced in advance on a monthly basis for a term of twenty-four (24) months at the rates listed below:

Months 1 – 24: $3,093.13 per month or $37,117.56 per year;

Following the initial term, Services will be provided on a year-to-year basis provided the Customer exercises the option and pays the then current Monthly Access Fee.

Declaration Fee: Due upon declaration of a disaster/emergency situation by a designated client representative.

Travel and Living Expenses: Travel and living expenses are in addition to the prices quoted above and will be invoiced as incurred and shall be governed by the Superion Corporate Travel and Expense Reimbursement Policy. Travel and living expenses actually incurred in prior months for which Superion is seeking reimbursement, shall also be invoiced monthly.

4. **Other issues:**

   a. Upon commencement of this contract, the Customer will provide Superion with a list of Customer designated representatives. This is a list of individuals that the client has authorized to declare or terminate a state of emergency for their location. This list will include designated representative names, daytime, nighttime, mobile and FAX numbers and mailing address information.

   b. Only a designated Customer representative will be able to declare a state of disaster/emergency by calling Superion Systems Recovery at: **1-800-695-6915.**

   c. Initial declaration of disaster/emergency may be verbal, but must be followed up by a signed and dated statement that declares a state of disaster/emergency. This hardcopy statement must briefly document the state and cause of the disaster/emergency, be dated and contain contact information. This declaration document may be faxed or sent via overnight mail to Superion/Systems Recovery, 1000 Business Center Dr., Lake Mary, Fl. 32746 or FAX: 407-386-8878.

   d. Customer acknowledges that should Superion receive multiple declarations of state of disaster/emergency, Superion shall respond to clients on a first come – first serve basis.

   e. Termination of a previously declared disaster/emergency situation may be done verbally by a client designated representative and followed by a signed notification no later than two (2) weeks after verbal notification. This notification of service termination must be signed by a designated Customer representative and may be faxed or sent via overnight mail to Superion Systems Recovery, 1000 Business Center Dr., Lake Mary, Fl. 32746 or FAX: 407-386-8878.

   f. All tapes or other backup medium provided to Superion will be returned to Customer.

   g. Any hardware or software provided by Superion in performance of this Schedule A-Order Form is owned by Superion and is not the property of the Customer.

EXHIBIT 4
TRANSACTION MANAGER

SUPERION TRANSACTION MANAGER

Initial Term of this Agreement begins July 1, 2017 and expires twenty-four (24) months from this date and will renew for another twelve month period as specified in Section 4 above. However, for purposes of making all payments due for Superion Transaction Manager services, this Agreement will be retroactive with a beginning date of April 1, 2017.

Superion Public Sector will invoice Customer a monthly usage fee equal to the following:

1. Eight point five cents ($.085) for each transaction processed by the Superion Transaction Manager during the prior month, or
2. Five point five cents ($.055) for each transaction processed by the Superion Transaction Manager during the prior month provided that Customer utilizes a Superion LLC approved payment partner for that transaction's related merchant services, or
3. One hundred fifty dollar ($150) if the applicable transaction-based monthly usage fee is not greater than one hundred fifty dollars ($150).

The per transaction rates that are used to calculate each monthly usage fee are subject to change with 90 days notice. Other changes to these terms relating to Superion Transaction Manager may occur at any time as may be required and such changes will be effective upon Superion LLC's written notice to each customer who utilizes the Superion Transaction Manager services.

For the purpose of the Superion Transaction Manager, the term "transaction " means a transaction that is submitted to the Superion Transaction Manager whether such transaction be a credit card, signature debit card, online electronic check transaction, or otherwise. Upon ninety (90) days prior written notice to Superion LLC, Customer may terminate usage of the Superion Transaction Manager subscription effective upon the last day of the month in which the notice period concludes.

The Superion Transaction Manager solution is available 24 hours/ 7 days per week except when the service is off-line for support and maintenance. Maintenance is scheduled to be performed each Sunday starting at 12:00AM to be completed as soon as possible but no later than 5:00AM.

Rights of Cancellation - Subscription / Transaction Based Services: For any breach of Customer's obligation to remit payment(s) hereunder, Superion LLC reserves the right to cancel any subscription / transaction based service(s) if the breach of payment is more than sixty (60) days in arrears. Customer may cancel any subscription / transaction based service(s) for convenience by providing ninety (90) days prior written notice to Superion LLC of its intent and such cancellation will be effective upon completion of the ninety (90) day notice period. All subscription/transaction fees prior to the effective date of any cancellation will be due and payable in full. Thereafter, if Customer desires to reinstate any subscription / transaction based service(s) which are cancelled hereunder, Customer will be responsible for payment of Superion LLC's then- current reconnect fee plus any subscription / transaction based service fees that would have been payable for the period subsequent to the cancellation of such services if the cancellation had never occurred.

	CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Report AGENDA ITEM NO.: 1

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

Greg Nyhoff

FROM: Jim Throop
Chief Financial Officer

Jim Throop

SUBJECT: Three Year Contract for Monthly Maintenance of the Ball Fields at Riverpark CFD 5 (5/5/5)

CONTACT: Jim Throop, Chief Financial Officer
Jim.Throop@oxnard.org, 385-7475

RECOMMENDATION:

That City Council authorize the Mayor to execute Agreement A-8009 with BrightView Landscape Service, Inc. in the amount of $684,948 for the Riverpark Ball Fields monthly maintenance.

BACKGROUND

The City is transitioning Riverpark CFD 5 from City maintained to private contractors. As part of the transition, the maintenance of the ball fields located at Rio Del Mar Elementary School is being transitioned at the start of the new league season. Maintenance services performed by a private contractor will result in the City's ability to regularly manage and inspect contractor performance and ensure the highest quality of maintenance services.

The scope of services include monthly field, turf, facilities and hardscape maintenance, specific to each month during the year in order to ensure optimal field conditions. The contract term is 32 months.

The notice to Request for Bids (RFB) was published in Vida Newspaper, the City website and multiple online websites and eboards on June 22, 2017 and all bids were due on July 20, 2017.

This is a specialty trade and very few companies in Ventura County offer this type of service, therefore City staff also called all vendors offering this type of service from Los Angeles County to San Luis Obispo County requesting a bid. Four companies expressed an interest, but the City only received one bid from BrightView. The bid was responsive to the City's RFB.

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

Fund for the maintenance of the ball fields were included in the FY 17-18 operating budget under contracts and services line items of Riverpark Fund 174.

ATTACHMENTS:

Attachment A - A-8009 Brightview Landscape Contract

Attachment B - Brightview Landscape Services Bid

Attachment C - Vida Publication

CCRC REVIEWED 9/14/17 [initials]

Agreement No. A-8009

CITY OF OXNARD
AGREEMENT/AMENDMENT REVIEW FORM

Consultant/Contractor: BrightView Landscape Services Inc.

Address: 2910 Sherwin Avenue, Ventura, CA 93003-7223

Mailing address: Same

Telephone No.: 805-642-9300

Fax No.: 951-350-9220

Contact Person: Greg Santamaria

Email address:

Department: Finance

Project Manager: Sandra Burkhart

Phone: (805) 385-7496

Current Value of Agreement (including Previous Amendments): $684,948
(Attach copies of original agreement and all previous amendments.)

Amendment Number: N/A

Replaces Agreement No.: N/A

Agreement Termination Date: 06/30/2020

Funding Source: Riverpark CFD #4

Account No. 174-5702-805-8209

Value of this Amendment: $ N/A

Total Value of Amended Agreement: $ N/A

P.O. No. (if existing agreement):

Req. No. (if new agreement): 3472

Insurance Exhibit Type: D

Please attach list of account numbers and amounts if multiple accounts.

Purpose of Agreement/Amendment: Maintenance of Sports Field at Rio Elementary School

Prior to processing, email completed Agreement Amendment Review Form to: cityofoxnard@ebix.com

Review Sequence	Initials	Date
1. Email Completed Agreement/Amendment Form to: cityofoxnard@ebix.com	SO	9-6-17
2. Contractor/Vendor (Project Manager to initial)	SO	9-6-17
3. Project Manager	SO	9-6-17
4. Department Director	[initials]	9/13/17
5. City Attorney	SK	9/11/17
6. Budget Management	JW for BV	9/13/17
7. Risk Management	[initials]	9/13/17
8. Purchasing Agent	[initials]	9/13/17
9. Contract Compliance Review Committee	N/A 9/14/17	e
10. Purchasing Agent/City Manager/City Council	N/A	
11. City Clerk		

AGREEMENT FOR TRADE SERVICES (INCLUDES LIVING WAGE REQUIREMENTS EFFECTIVE ON 7/1/17 AND PREVAILING WAGES)

THIS AGREEMENT FOR TRADE SERVICES (**"Agreement"**) is entered into in Ventura County, California, this 9th day of September, 2017, by and between the City of Oxnard (**"City"**) and BrightView Landscape Services Inc.(**"Vendor"**), subject to the following terms and conditions:

1. Vendor shall provide to City the following services: Landscape needs of Rio Del Mar Elementary and Rio Vista Middle School Sports Fields (the **"Services"**) as described in Exhibit C, attached hereto and incorporated herein

2. Vendor shall provide the Services during the term of this Agreement, as set forth in Section 3 below. Vendor shall be excused for delays resulting from causes beyond the control of Vendor.

3. This Agreement shall begin on October 4, 2017, and shall end on June 30, 2020. Either party may terminate this Agreement at any time, with or without cause, by giving sixty (60) days prior written notice to the non-terminating party, specifying the effective date of termination. Unless City asserts that Vendor has breached the Agreement, City agrees to pay Vendor in full for the Services satisfactorily performed as of the effective date of termination, including any expenditures incurred on City's behalf, whether for the employment of third parties or otherwise. If City pays for any materials, City shall be entitled to the title and possession of such materials.

4. City shall pay Vendor an amount not to exceed $684,948 for the Services performed during the term of this Agreement. Vendor's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Vendor for anything completed, finished or relating to the Services. Vendor agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Vendor or its employees, subcontractors, agents and sub-vendors for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Vendor, its employees, subcontractors, agents and sub-vendors. Vendor shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Vendor or materials or products provided to City by Vendor, Vendor shall pay the sales tax. City shall not reimburse Vendor for sales taxes paid by Vendor.

5. Vendor shall compensate all of its employees in accordance with both the City's Living Wage Policy and State-required prevailing wages. Vendor understands that in the event of a conflict between the City's Living Wage Policy and State-required prevailing wages, the higher of the two shall prevail.

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

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

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

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

9. In accordance with Labor Code Section 1770 *et seq*., the Project is a "public work." The Vendor shall pay wages in accordance with the determination of the Director of the Department of Industrial Relations ("DIR") regarding the prevailing rate of per diem wages. Copies of those rates are on file with the Public Works Director, and are available to any interested party upon request. The Vendor shall post a copy of the DIR's determination of the prevailing rate of per diem wages at the job site. The Vendor shall comply with all provisions of the Prevailing Wage Requirements, which is attached hereto as **Exhibit B** and incorporated herein by this reference

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

the Indemnified Party, Vendor's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

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

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

13. Vendor shall continuously maintain adequate protection of all of Vendor's work from damage and shall protect the City's property from any and all injury or loss arising in connection with this Agreement. Vendor shall take all necessary precaution for the safety of employees on the job and shall comply with all applicable provisions of federal, state and municipal safety laws and building codes to prevent accidents or injury to persons on, about or adjacent to any premises where the work is being performed. City shall remain responsible for any water-conservation goals, requirements, mandates, directives, legislation or rulings (collectively "Regulations"), as may be or become in force at the property serviced by this Agreement. Nothing contained in this Agreement shall serve to shift the burden of compliance with such Regulations on Contractor, or to imply or require that Contractor will be responsible for any or all costs or damages associated with revising the irrigation schedule to accommodate the Regulations (whether such revision has the net effect of less or more irrigation). Contractor is not an agent of the City; City alone shall be responsible for any failure to comply with the Regulations or any of them, any damage caused by or allegedly caused by efforts to comply with or incorporate the Regulations, and any and all claims, damages, actions, enforcement proceedings, penalties, assessments, tenders of defense or indemnity asserted by any party regarding compliance with the Regulations.

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

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

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

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

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

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

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

20. Any notices to Vendor may be delivered personally or by mail addressed to: Greg Santamaria, General Manager, 2910 Sherwin Avenue, Ventura, CA 93003-7223. Any notices to City may be delivered personally or by mail addressed to: Sandra Burkhart, Special District Manager, 300 W. Third Street, 2nd Floor, Oxnard, CA 93030.

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

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

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

[Signatures on next page]

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

CITY OF OXNARD

______________________ ____________
Tim Flynn, Mayor Date

ATTEST:

______________________ ____________
Michelle Ascencion, City Clerk Date

APPROVED AS TO FORM:

______________________ 9/11/17
Stephen M. Fischer, City Attorney Date

APPROVED AS TO CONTENT:

______________________ 9-6-17
Sandra Burkhart, Project Manager Date

______________________ 9/13/17
Jim Throop, Department Head Date

APPROVED AS TO AMOUNT:

______________________ ____________
Greg Nyhoff, City Manager Date

APPROVED AS TO INSURANCE:

for Mike Moore 9/13/17
Mike More, Risk Manager Date

BRIGHTVIEW LANDSCAPE SERVICES INC.

______________________ ____________
Dave Hanson, Sr. VP of Operations Date

______________________ ____________
Jeff Herold, President of Operations 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

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Jim Throop, Department Head Date

APPROVED AS TO AMOUNT:

Greg Nyhoff, City Manager Date

APPROVED AS TO INSURANCE:

Mike More, Risk Manager Date

BRIGHTVIEW

9/7/2017
Dave Hanson, Sr. VP of Operations Date

9/11/17
Jeff Herold, President of Operations 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

EXHIBIT A: LIVING WAGE POLICY

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

1. Pursuant to this Living Wage Policy, a service contractor shall pay those employees who provide services to the City under contract:

   (a) Effective October 1, 2002, at least $9.00 an hour for the time during which the employee is providing services to the City;

   (b) Effective July 1, 2003, at least $9.25 an hour for the time during which the employee is providing services to the City and 32 hours of paid leave per every calendar year in which an employee provides services to the City;

   (c) Effective July 1, 2004, at least $10.59 an hour for the time during which the employee is providing services to the City and 64 hours of paid leave per every calendar year in which an employee provides services to the City; and

   (d) Effective July 1, 2005, at least $12.22 an hour for the time during which the employee is providing services to the City and 96 hours of paid leave per every calendar year in which an employee provides services to the City.

2. The hourly rates established in Section 1 shall be adjusted July 1, 2006 and, each July 1 thereafter, according to the percentage change since July 1, 2005 in the Consumer Price Index prepared by the Bureau of Labor Statistics for the Los Angeles, Anaheim, Riverside area relating to all urban consumers.

3. A service contractor executing a service contract with the City for which the City will pay the contractor $25,000 or more during the contract term shall be subject to the Living Wage Policy.

4. A service contractor executing more than one service contract with the City, and the combined monetary total of the payments by the City pursuant to such contracts is $25,000 or more for the combined contract terms shall be subject to the Living Wage Policy.

5. This Living Wage Policy shall not govern the following types of contracts for: (a) the purchase, rental or lease of goods, products, equipment, supplies or other personal property; (b) public works projects as defined in State or local law; and (c) professional services.

6. This Living Wage Policy shall not govern the following service contractors: (a) nonprofit entities organized under IRS Code section 501(c)(3); (b) public entities such as cities, counties, special districts, states and the federal government; and (c) businesses employing fewer than five persons.

7. The City Attorney is directed to include in all standard trade services contracts and all contracts involving unique trade services, the language set forth in **Exhibit 1** attached hereto and incorporated herein by this reference.

8. If a service contractor fails to comply with this Living Wage Policy, the City Manager is directed to terminate the subject service contract immediately and to impose appropriate fines and penalties as set forth in the service contract.

9. The City Manager and the City Attorney are responsible for the administration and enforcement, respectively, of the Living Wage Policy. If an employee of a service contractor governed by the Living Wage Policy concludes that he/she has been retaliated against for the exercise of rights under the Living Wage Policy, the employee should contact the City Manager at 385-7430.

10. The City Manager shall reasonably cooperate with representatives of the Ventura County Living Wage Coalition to ensure the effective administration and enforcement of the Living Wage Policy.

11. This Living Wage Policy may be changed only by City Council and only after a duly noticed public hearing.

12. The City Manager is directed to ensure that the City Council will review the Living Wage Policy as part of the FY 2003-2004/05 budget process.

Exhibit 1

Living Wage Policy

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

A. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit A. While this Agreement is in effect, Vendor shall pay such employee no less than $15.51 per hour for each hour that such employee provides services under this Agreement. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

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

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

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

CITY OF OXNARD LIVING WAGE REQUIREMENTS EFFECTIVE JULY 1, 2017

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

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

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

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

e. The foregoing requirements are restated on pages 1 and 2 of the Agreement for Trade Services.

EXHIBIT B: PREVAILING WAGE REQUIREMENTS

1. Contractor acknowledges that the Project defined in the Agreement between Contractor and City is a "public work" as defined in Division 2, Part 7, Chapter 1 of the California Labor Code ("Chapter 1"), and that this Agreement is subject to Chapter 1 and the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform the Project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in Chapter 1 and the DIR's rules and regulations as though set forth in full herein.
2. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.
3. Contractor is required to post job site notices, as prescribed by regulation. See Labor Code section 1771.4(a)(2).
4. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. Contractor shall, as a penalty to City, forfeit not more than $200 for each calendar day or portion thereof for each worker paid less than the DIR's determined prevailing rates for the work or craft in which the worker is employed pursuant to this Agreement by Contractor or any subcontractor. The Labor Commissioner shall determine the amount of the penalty as described in Section 1775.
5. Contractor shall comply with Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, (2) certify and make such payroll records available for inspection, and (3) inform City of the location of the records.
6. Contractor shall comply with Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code Title 8, Section 200 *et seq*. concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Before commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within 60 days after concluding the Project, Contractor and each of its subcontractors shall submit to City a verified statement of the journeyman and apprentice hours performed under this Agreement.
7. Contractor shall not be debarred or suspended throughout the duration of this Agreement pursuant to Labor Code Section 1777.1 or 1777.7. If Contractor becomes debarred or suspended throughout the duration of the Agreement, Contractor shall immediately notify City.
8. Contractor shall not be qualified to work on the Project unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. Contractor shall continue without interruption to stay registered and qualified to perform public work pursuant to Section 1725.5 for the duration of the term of this Agreement.
9. Contractor acknowledges that 8 hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810.
10. Contractor shall comply with and be bound by Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to City, forfeit $25 for each worker employed in the performance of this Agreement by Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code Section 1815, work performed by Contractor's employees in excess of 8 hours per day and 40 hours per week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 ½ times the basic rate of pay.
11. The Project listed in the Agreement is subject to compliance monitoring and enforcement by the DIR.
12. Contractor shall be responsible for each and every one of its subcontractors' compliance with Chapter 1, the DIR's rules and regulations, and Labor Code Sections 1860 and 3700. Contractor shall include in the written contract between it and each subcontractor a copy of, and a requirement that each subcontractor shall comply with, those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractors' compliance, including without limitation, conducting a periodic review of the certified payroll records of each subcontractor, and upon becoming aware of the failure of the subcontractor to pay its workers the specified prevailing rate of wages, Contractor shall diligently take corrective action to halt or rectify any failure.
13. To the maximum extent permitted by law, Contractor shall hold harmless, defend (at Contractor's expense with counsel approved by the City Attorney) and indemnify City, its officials, officers, employees, agents and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.

EXHIBIT C
SCOPE OF WORK

• All routine maintenance work shall be performed before and after school and on weekends and holidays.
• All work after school will be coordinated with the after-school programing.
• The California School IPM Model Program Guidebook shall be followed.
• Emergency work will only be performed during school hours with permission of the School administration.
• We will use pesticides approved by the Project Manager.
• ALL pesticides shall be applied on days when school is not in session and there are no games/practices scheduled.
• Irrigation schedules shall be adjusted to accommodate pesticide applications.
• Mow schedule shall be adjusted to accommodate pesticide applications.
• Painted and chalked lines will be placed at the league's direction.
• Irrigation will be inspected and repaired weekly and adjusted weekly to account for changes in weather.
• All pesticides shall be scheduled so that the follow-up application lands on days when school is not in session.

The following basic care management practices are expected throughout the term of the contract as follows:
• All trees within the community shall be pruned up to 12'.
• Tree and plant health inspection report
• Shrubs and hedges bordering walk ways and within planter beds shall be pruned in a healthy and consistent manner to ensure a clean and healthy appearance.
• All plants material shall be maintained in accordance to the health and well-being of each.
• Debris will be addressed while on property.
• All contracted areas shall be serviced for weeds by hand removing or sprayed.
• Walking areas blown clean during our onsite service
• Turf cut and edged to specification while maintaining health.
• Fertilizing lawn and planters, taking care of disease and insect issues.
• Curb and gutter weed control
• Clean up leaf debris in all planter beds.
• Plant life will be treated for snails as needed.
• Fall Clean up
• Monthly report entailing completed activity and what still needs to be done.
• Monthly irrigation report for any deficiencies.
• Photo renderings for any enhancement projects.

In addition to the above, the following specific items will be completed in the the months assigned as follows:

November/December

Outfield turf:

• Apply a fine dark organic amendment over entire turf area. We will apply during Thanksgiving break in school.
• Apply preventative fungicide to Hybrid Bermudagrass to address brown patch fungus.
• Apply pesticide to remove Kikuyu grass from Hybrid Bermudagrass.
• Apply pesticide to remove Poa annua from Hybrid Bermudagrass.

Hardscape:

- Apply pesticide to address any weeds in hardscape areas and along fence lines

Prep infields:

- Level and add infield mix (Gail Materials Pro Gold Infield Mix-no substitute) as needed to provide adequate drainage to prevent puddling. Infield mix will be tilted into a depth of 3" to incorporate and prevent "layering" of material.
- Roll infields with vibratory roller every month to provide consistent compaction. This will need to be performed 3-4 times. Roller will be supplied by us.
- Add infield conditioner (Gail Materials Playball Premium CC Infield Conditioner or equivalent) and drag into infield mix.
- Infield mix will not be dry when dragging. Any infield material or conditioner that gets on the surrounding turf will be physically removed the same day with a broom or blower.
- Re-roll infields with vibratory roller.
- Verticut Turf edges to eliminate areas raised from accumulation of infield mix.
- Spray pesticide on infield turf edges to straighten lines

Irrigation:

- Set up irrigation schedules for infield irrigation to water every night after games.
- Set up irrigation schedules for infield irrigation to flood infields on Sundays.
- Adjust all irrigation for proper coverage.

Facilities:

- Check electrical outlets on backstops at fields 1 and 2 for operation. All electrical issues will be reported to the Project Manager immediately. Any repairs will be handled as an extra work item and billed accordingly.
- Check "pipe gates" at entrances to east parking lot for operation and condition of paint. We will touch up gates with paint supplied by the city of Oxnard. We will also make repairs as needed.

January-July

- Mow every Sunday and Wednesday with reel type mower @ 1/2"-3/4".
- Paint outfield lines/coaches boxes every Monday. Use fold-a-goal spray cans or equivalent. Use whatever means necessary to ensure straight lines.
- Program Musco Field lights to accommodate league use
- Drag infields Tuesday-Saturday.
- Open three gates for league games and practice at 4:30 pm.
- Prepare infields for games that start in February.
- We will address wet spots caused by damaged irrigation or irrigation controller malfunctions.
- During the week, we will enter School after the last class is dismissed. We will coordinate this with the School.
- On Saturdays schedule, work will be completed 30 minutes prior to first game.
- Drag infields, chalk foul lines, batters boxes, pitcher circle and other lines needed, set out bases.
- Ensure all trash is removed from site. This includes fence lines, dugouts, turf and spectator areas.

- Drag infields in accordance to the cities standards and practices, store bases, remove trash. (NOTE: This activity will be completed at the onset of the next morning to make sure all items are done in a complete and appropriate manner.)
- Close and lock three gates and turn off field lights.

February

- Apply Ronstar G Herbicide at the recommended rate to control Annual Bluegrass.

Spring Break

- Aerify if needed. We will provide a one-time price for outfield aeration and for infield aeration.
- Fertilize with Contec DG 18-9-18 fertilizer at a rate of 1LB AN/1000sf. This will also be done in the month of May.
- Repair any damaged turf areas.
- Repair any low infield areas.

June-July

Tournaments:

- Schedule work with Leagues
- Prep infields for first game of the day only
- Drag infields in accordance to the cities standards and practices. (NOTE: This activity will be completed at the onset of the next morning to make sure all items are done in a complete and appropriate manner).

July-August

Infields:

- Level and add infield mix as needed.
- Add and drag in infield conditioner.
- Verticut Turf edges to eliminate areas raised from accumulation of infield mix.
- Spray infield turf edges to straighten lines.

Other areas:

- Repair all worn turf areas in front of dugouts.
- Repair/repaint infield backstop wood boards.
- Inspect backstop netting and repair as needed.
- Check electrical outlets on backstops of fields 1 and 2 then make sure they are turned off at the breaker.
- Check no parking signs and re-paint on curbs in east parking lot and repair as needed. Paint to be provided by City of Oxnard. SPECIAL NOTE: Due to the lateness of the games being completed and our crews need to be up early the next morning, we have included in our plan to hire a local security company as a subcontractor to lock the three gates after the games and turn off all lights. This will be included in our monthly pricing.

FEES

Base Management Monthly Price	$20,756
Base Management Yearly Fee Total	$249,069

INSURANCE REQUIREMENTS FOR SMALL/MEDIUM CONSTRUCTION AND SERVICES CONTRACTS (WITHOUT 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.

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

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

c. 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.

d. Workers' Compensation Insurance in compliance with the laws of the State of California, and Employer's Liability Insurance in an amount not less than $1,000,000 per claimant.

1. 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-D. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before work commences. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be sent via email (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

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

2. 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.

3. 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-D 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).**

4. 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.

5. 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.

6. 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 attached.

INS-D.doc

Agreement No. A-8009

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
CODE SUB-CODE	**COMPANIES AFFORDING INSURANCE COVERAGE**
INSURED	COMPANY LETTER A SPECIFY COMPANY NAMES IN THIS SPACE
	COMPANY LETTER B

COVERAGES

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	**GENERAL LIABILITY** [x] COMMERCIAL GENERAL LIABILITY [x] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT				GENERAL AGGREGATE PRODUCTS COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$1,000,000 $1,000,000 $1,000,000 $1,000,000 $ $
A	**AUTOMOBILE LIABILITY** [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$1,000,000 $ $ $
A	**EXCESS LIABILITY** UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
A	**WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY**				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $1,000,000 $1,000,000 $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 Agreement				Minimum coverage Each consultant/ & listed sub-consultant	$1,000,000 $500,000

SAMPLE

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

CERTIFICATE HOLDER **CITY OF OXNARD** **Attn: Insurance Compliance** **Reference No._______** **P.O. Box 100085 – OX** **Duluth, GA 30096** **Via Email: cityofoxnard@ebix.com** **Via Fax: 678-259-1007**	**CANCELLATION** SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~ENDEAVOR TO~~ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.~~ AUTHORIZED REPRESENTATIVE

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

SUBMIT IN DUPLICATE

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

PRODUCER

Telephone:

NAMED INSURED

POLICY INFORMATION:
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)

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

GENERAL LIABILITY
☐ COMMERCIAL GENERAL LIABILITY ☐ Claims Made
☐ COMPREHENSIVE GENERAL LIABILITY Retroactive Date ______________
☐ OWNERS & CONTRACTORS PROTECTIVE ☐ Occurrence

OTHER PROVISIONS

COVERAGES

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
   b. 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

CITY OF OXNARD
Attn: Insurance Compliance
Reference No.________
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

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 ________________

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

SUBMIT IN DUPLICATE

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

PRODUCER

Telephone:

NAMED INSURED

POLICY INFORMATION:
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)

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

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 ____________

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY) 09/06/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Aon Risk Services Northeast, Inc.
New York NY Office
199 Water Street
New York NY 10038-3551 USA

CONTACT NAME:
PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	Illinois Union Insurance Company	27960
INSURER B:	ACE American Insurance Company	22667
INSURER C:	American Guarantee & Liability Ins Co	26247
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
BrightView Landscape Services, Inc.
Location #32160
2910 Sherwin Avenue
Ventura CA 93003 USA

COVERAGES **CERTIFICATE NUMBER:** 570068256456 **REVISION NUMBER:**

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.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	X COMMERCIAL GENERAL LIABILITY; CLAIMS-MADE; X OCCUR; GEN'L AGGREGATE LIMIT APPLIES PER: POLICY; X PRO-JECT; X LOC; OTHER:	Y		XSLG24558241 SIR applies per policy terms & conditions	10/01/2016	10/01/2017	EACH OCCURRENCE	$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
							MED EXP (Any one person)	$10,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$4,000,000
							PRODUCTS - COMP/OP AGG	$4,000,000
B	AUTOMOBILE LIABILITY; X ANY AUTO; OWNED AUTOS ONLY; SCHEDULED AUTOS; X HIRED AUTOS ONLY; X NON-OWNED AUTOS ONLY	Y		ISA H09033877	10/01/2016	10/01/2017	COMBINED SINGLE LIMIT (Ea accident)	$2,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
C	X UMBRELLA LIAB; X OCCUR; EXCESS LIAB; CLAIMS-MADE; DED; RETENTION			AUC508596812	10/01/2016	10/01/2017	EACH OCCURRENCE	$3,000,000
							AGGREGATE	$3,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N; ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? N (Mandatory in NH); If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	C47862425 WC - AOS	10/01/2016	10/01/2017	X PER STATUTE; OTH-ER	
B			Y	C47862437 WC - WI	10/01/2016	10/01/2017	E.L. EACH ACCIDENT	$2,000,000
							E.L. DISEASE-EA EMPLOYEE	$2,000,000
							E.L. DISEASE-POLICY LIMIT	$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Separation of Insureds is included under the General Liability policy. RE: Job No. 321600236, Oxnard Playing Fields. City, its City Council, officers, employees and volunteers are included as Additional Insured in accordance with the policy provisions of the General Liability and Automobile Liability policies. General Liability policy evidenced herein is Primary and Non-Contributory to other insurance available to Additional Insured, but only in accordance with the policy's provisions. A Waiver of Subrogation is granted in favor of Certificate Holder in accordance with the policy provisions of the Workers' Compensation policy. Should General Liability, Automobile Liability and Workers' Compensation policies be cancelled before the expiration date thereof, the policy provisions will govern how notice of cancellation may be delivered to Certificate Holders

CERTIFICATE HOLDER

City of Oxnard
Insurance Compliance
Attn: Debra Williams
PO Box 100085 - OX
Duluth GA 30096 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Services Northeast Inc.

Holder Identifier : BCQIFLNOP

Certificate No : 570068256456

ACORD 25 (2016/03)

AGENCY CUSTOMER ID: 570000061998
LOC #:

L.1.a

ADDITIONAL REMARKS SCHEDULE

Page _ of _

AGENCY		NAMED INSURED
Aon Risk Services Northeast, Inc.		BrightView Landscape Services, Inc.
POLICY NUMBER		
See Certificate Number: 570068256456		
CARRIER	NAIC CODE	
See Certificate Number: 570068256456		EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	OTHER							
B	Archit&Eng Prof			G23631817011 Prof Liab Claims Made SIR applies per policy terms & conditions	10/01/2016	10/01/2017	Each Claim	$1,000,000
							Aggregate	$1,000,000

ACORD

ADDITIONAL REMARKS SCHEDULE

AGENCY		NAMED INSURED
Aon Risk Services Northeast, Inc.		BrightView Landscape Services, Inc.
POLICY NUMBER: See Certificate Number: 570068256456		
CARRIER: See Certificate Number: 570068256456	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

Additional Description of Operations / Locations / Vehicles:

in accordance with the policy provisions of each policy.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

Named Insured			Endorsement Number
BrightView Landscapes, LLC			
Policy Symbol XSL	Policy Number G24558241 001	Policy Period 10/1/16 to 10/1/17	Effective Date of Endorsement 10/1/2016
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This Endorsement modifies insurance provided under the following:

EXCESS COMMERCIAL GENERAL LIABILITY POLICY

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
Any person or organization whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.	All locations where you perform work for such additional insured pursuant to any such written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance And Retained Limit:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

JOHN J. LUPICA, President

Authorized Representative

ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

Named Insured BrightView Landscapes, LLC			Endorsement Number
Policy Symbol XSL	Policy Number G24558241 001	Policy Period 10/1/16 to 10/1/17	Effective Date of Endorsement 10/1/2016
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

EXCESS COMMERCIAL GENERAL LIABILITY POLICY

SCHEDULE

Name of Person or Organization: Any person or organization whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.

A. **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or

2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance And Retained Limit:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

JOHN J. LUPICA, President

Authorized Representative

NON-CONTRIBUTORY ENDORSEMENT FOR ADDITIONAL INSUREDS

Named Insured			Endorsement Number
BrightView Landscapes, LLC			
Policy Symbol XSL	Policy Number G24558241 001	Policy Period 10/1/16 to 10/1/17	Effective Date of Endorsement 10/1/2016
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

EXCESS COMMERCIAL GENERAL LIABILITY POLICY

Schedule

Organization	Additional Insured Endorsement
Any additional insured with whom you have agreed to provide such non-contributory insurance, pursuant to and as required by written contract executed prior to the date of loss.	

(If no information is filled in, the schedule shall read: "All persons or entities added as additional insureds through an endorsement with the term "Additional Insured" in the title)

For organizations that are listed in the Schedule above that are also an Additional Insured under an endorsement attached to this policy, the following is added to Section IV.4:

If other insurance is available to an insured we cover under any of the endorsements listed or described above (the "Additional Insured") for a loss we cover under this policy, this insurance will apply to such loss and is primary (subject to satisfaction of the "retained limit"), meaning that we will not seek contribution from the other insurance available to the Additional Insured. Your "retained limit" still applies to such loss, and we will only pay the Additional Insured for the "ultimate net loss" in excess of the "retained limit" shown in the Declarations of this policy.

JOHN J. LUPICA, President

Authorized Representative

ADDITIONAL INSURED –
DESIGNATED PERSONS OR ORGANIZATIONS

Named Insured			Endorsement Number
BrightView Landscapes, LLC			
Policy Symbol ISA	Policy Number H09033877	Policy Period 10/1/16 to 10/1/17	Effective Date of Endorsement 10/1/2016
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
AUTO DEALERS COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
EXCESS BUSINESS AUTO COVERAGE FORM

Additional Insured(s): Any person or organization whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.

A. For a covered "auto," Who Is Insured is amended to include as an "insured," the persons or organizations named in this endorsement. However, these persons or organizations are an "insured" only for "bodily injury" or "property damage" resulting from acts or omissions of:

1. You.
2. Any of your "employees" or agents.
3. Any person operating a covered "auto" with permission from you, any of your "employees" or agents.

B. The persons or organizations named in this endorsement are not liable for payment of your premium.

JOHN J. LUPICA, President

Authorized Representative

Workers' Compensation and Employers' Liability Policy

Named Insured BrightView Landscapes, LLC	Endorsement Number
	Policy Number Symbol: WLR Number: C47862425
Policy Period 10/01/2016 to 10/01/2017	Effective Date of Endorsement 10/01/2016
Issued By (Name of Insurance Company) ACE American Insurance Company	

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

Schedule

Any person or organization against whom you have agreed to waive your right of recovery in a written contract, provided such contract was executed prior to the date of loss.

For the states of CA, TX, refer to state specific endorsements.

This endorsement is not applicable in KY, NH, and NJ.

JOHN J. LUPICA, President

Authorized Agent

NOTICE TO OTHERS ENDORSEMENT – SCHEDULE
NOTICE BY INSURED'S REPRESENTATIVE

Named Insured			Endorsement Number
BrightView Landscapes, LLC			
Policy Symbol: ISA	Policy Number: H09033877	Policy Period: 10/1/16 **to** 10/1/17	Effective Date of Endorsement: 10/1/2016
Issued By (Name of Insurance Company): ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. If we cancel the Policy prior to its expiration date by notice to you or the first Named Insured for any reason other than nonpayment of premium, we will endeavor, as set out in this endorsement, to send written notice of cancellation, to the persons or organizations listed in the schedule that you or your representative create or maintain (the "Schedule") by allowing your representative to send such notice to such persons or organizations. This notice will be ***in addition to*** our notice to you or the first Named Insured, and any other party whom we are required to notify by statute and in accordance with the cancellation provisions of the Policy.

B. The notice referenced in this endorsement as provided by your representative is intended only to be a courtesy notification to the person(s) or organization(s) named in the Schedule in the event of a pending cancellation of coverage. We have no legal obligation of any kind to any such person(s) or organization(s). The failure to provide advance notification of cancellation to the person(s) or organization(s) shown in the Schedule will impose no obligation or liability of any kind upon us, our agents or representatives, will not extend any Policy cancellation date and will not negate any cancellation of the Policy.

C. We are not responsible for verifying any information in any Schedule, nor are we responsible for any incorrect information that you or your representative may use.

D. We will only be responsible for sending such notice to your representative, and your representative will in turn send the notice to the persons or organizations listed in the Schedule at least 30 days prior to the cancellation date applicable to the Policy. You will cooperate with us in providing the Schedule, or in causing your representative to provide the Schedule.

E. This endorsement does not apply in the event that you cancel the Policy.

All other terms and conditions of the Policy remain unchanged.

JOHN J. LUPICA, President

Authorized Representative

NOTICE TO OTHERS ENDORSEMENT – SCHEDULE
NOTICE BY INSURED'S REPRESENTATIVE

Named Insured BrightView Landscapes, LLC			Endorsement Number
Policy Symbol XSL	Policy Number G24558241 001	Policy Period 10/1/16 **to** 10/1/17	Effective Date of Endorsement 10/1/2016
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. If we cancel the Policy prior to its expiration date by notice to you or the first Named Insured for any reason other than nonpayment of premium, we will endeavor, as set out in this endorsement, to send written notice of cancellation, to the persons or organizations listed in the schedule that you or your representative create or maintain (the "Schedule") by allowing your representative to send such notice to such persons or organizations. This notice will be ***in addition to*** our notice to you or the first Named Insured, and any other party whom we are required to notify by statute and in accordance with the cancellation provisions of the Policy.

B. The notice referenced in this endorsement as provided by your representative is intended only to be a courtesy notification to the person(s) or organization(s) named in the Schedule in the event of a pending cancellation of coverage. We have no legal obligation of any kind to any such person(s) or organization(s). The failure to provide advance notification of cancellation to the person(s) or organization(s) shown in the Schedule will impose no obligation or liability of any kind upon us, our agents or representatives, will not extend any Policy cancellation date and will not negate any cancellation of the Policy.

C. We are not responsible for verifying any information in any Schedule, nor are we responsible for any incorrect information that you or your representative may use.

D. We will only be responsible for sending such notice to your representative, and your representative will in turn send the notice to the persons or organizations listed in the Schedule at least 30 days prior to the cancellation date applicable to the Policy. You will cooperate with us in providing the Schedule, or in causing your representative to provide the Schedule.

E. This endorsement does not apply in the event that you cancel the Policy.

All other terms and conditions of the Policy remain unchanged.

JOHN J. LUPICA, President

Authorized Representative

Workers' Compensation and Employers' Liability Policy

Named Insured BrightView Landscapes, LLC	Endorsement Number Policy Number Symbol: WLR Number: C47862425
Policy Period 10/01/2016 to 10/01/2017	Effective Date of Endorsement 10/01/2016
Issued By (Name of Insurance Company) ACE American Insurance Company	

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

NOTICE TO OTHERS ENDORSEMENT – SCHEDULE
NOTICE BY INSURED'S REPRESENTATIVE

A. If we cancel this Policy prior to its expiration date by notice to you or the first Named insured for any reason other than nonpayment of premium, we will endeavor, as set out in this endorsement, to send written notice of cancellation, to the persons or organizations listed in the schedule that you or your representative create or maintain (the "Schedule") by allowing your representative to send such notice to such persons or organizations. This notice will be ***in addition to*** our notice to you or the first Named Insured, and any other party whom we are required to notify by statute and in accordance with the cancellation provisions of the Policy.

B. The notice referenced in this endorsement as provided by your representative is intended only to be a courtesy notification to the person(s) or organization(s) named in the Schedule in the event of a pending cancellation of coverage. We have no legal obligation of any kind to any such person(s) or organization(s). The failure to provide advance notification of cancellation to the person(s) or organization(s) shown in the Schedule will impose no obligation or liability of any kind upon us, our agents or representatives, will not extend any Policy cancellation date and will not negate any cancellation of the Policy.

C. We are not responsible for verifying any information in any Schedule, nor are we responsible for any incorrect information that you or your representative may use.

D. We will only be responsible for sending such notice to your representative, and your representative will in turn send the notice to the persons or organizations listed in the Schedule at least 30 days prior to the cancellation date applicable to the Policy. You will cooperate with us in providing the Schedule, or in causing your representative to provide the Schedule.

E. This endorsement does not apply in the event that you cancel the Policy.

All other terms and conditions of this Policy remain unchanged.

JOHN J. LUPICA, President

Authorized Representative

NAMED INSURED ENDORSEMENT

Named Insured			Endorsement Number
BrightView Landscapes, LLC			
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
XSL	G24558241 001	10/1/16 to 10/1/17	10/1/2016
Issued By (Name of Insurance Company)			
ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This Endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
EXCESS COMMERCIAL GENERAL LIABILITY POLICY

It is agreed that the Named Insured is amended to read as follows:

BrightView Landscapes, LLC (f.k.a The Brickman Group Ltd. LLC)
BrightView Landscape Services, Inc. (f.k.a. ValleyCrest Landscape Maintenance, Inc.)
BrightView Tree Care Services, Inc. (f.k.a. ValleyCrest Tree Care Services, Inc.)
BrightView Golf Course Maintenance, Inc. (f.k.a. ValleyCrest Golf Course Maintenance, Inc.)
BrightView Enterprise Solutions, LLC (f.k.a. Brickman Facility Solutions)
BrightView Companies, LLC (ValleyCrest Companies, LLC)
BrightView Chargers, Inc. (f.k.a Brickman Charges, Inc.)

JOHN J. LUPICA, President

Authorized Agent

LD-20286 (06/06)

SCHEDULE OF NAMED INSUREDS

Named Insured			Endorsement Number
BrightView Landscapes, LLC			
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
ISA	H09033877	10/1/16 to 10/1/17	10/1/2016
Issued By (Name of Insurance Company)			
ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIERS COVERAGE FORM
AUTO DEALERS COVERAGE FORM

The Named Insured shown in the Declarations is amended to read as follows:

BrightView Landscapes, LLC (f.k.a The Brickman Group Ltd. LLC)
BrightView Landscape Services, Inc. (f.k.a. ValleyCrest Landscape Maintenance, Inc.)
BrightView Landscape Development, Inc. (f.k.a. ValleyCrest Landscape Development, Inc.)
BrightView Tree Care Services, Inc. (f.k.a. ValleyCrest Tree Care Services, Inc.)
BrightView Golf Course Maintenance, Inc. (f.k.a. ValleyCrest Golf Course Maintenance, Inc.)
BrightView Design Group (f.k.a. ValleyCrest Design Group)
BrightView Enterprise Solutions, LLC (f.k.a. Brickman Facility Solutions)
BrightView Companies, LLC (ValleyCrest Companies, LLC)
BrightView Chargers, Inc. (f.k.a Brickman Charges, Inc.)
Western Landscape Construction

Named Insured includes First Named Insured; other entities to be covered as of inception and any organization other than a partnership or joint venture, and over which you currently maintain ownership or majority interest, provided there is no other similar insurance available to that organization; and any other organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, provided:

a) There is no other similar insurance available to that organization; and

b) you notify us of such acquisition not later than 60 days after the end of the policy period.

As respects newly acquired or formed organizations, coverage does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past joint venture that is not shown as a Named Insured on this schedule.

JOHN J. LUPICA, President

Authorized Representative

BrightView

Landscape Services Proposal Rio Del Mar Elementary and Rio Vista Middle School Sports Fields

7/18/2017
Sandra Burkhart

2910 Sherwin Ave, Ventura
T 805-642-9300
F 951 350 9220

www.brightview.com

7/18/2017

Sandra Burkhart
Special District Manager
City of Oxnard
300 W. 3rd Street, 2nd Floor, Oxnard, Ca

Dear Sandra,

BrightView is pleased to submit our proposal to provide professional landscape management services for Rio Del Mar Elementary and Rio Vista Middle School Sports Fields located in Oxnard. Our company is a committed part of the Riverpark community. We service over 80% of Riverpark including surrounding properties in the area and are more than confident we can accommodate the City of Oxnard in their endeavors.

Sandra, I appreciate your input and guidance as we have assembled our proposed solution for the Rio Del Mar Elementary and Rio Vista Middle School Sports Fields. The following plan will be incorporated for both sports fields and in accordance to the needs, ordinances, and other guidelines that the City of Oxnard has mandated.

- All routine maintenance work shall be performed before and after school and on weekends and holidays
- All work after school will be coordinated with the after-school programing
- The California School IPM Model Program Guidebook shall be followed
- Emergency work will only be performed during school hours with permission of the School administration.
- We will use pesticides approved by the Project Manager.
- ALL pesticides shall be applied on days when school is not in session and there are no games/practices scheduled.
- Irrigation schedules shall be adjusted to accommodate pesticide applications.
- Mow schedule shall be adjusted to accommodate pesticide applications.
- Painted and chalked lines will be placed at the league's direction.
- Irrigation will be inspected and repaired weekly and adjusted weekly to account for changes in weather.

- All pesticides shall be scheduled so that the follow-up application lands on days when school is not in session.

November/December

Outfield turf:

- Apply a fine dark organic amendment over entire turf area. We will apply during Thanksgiving break in school
- Apply preventative fungicide to Hybrid Bermudagrass to address brown patch fungus
- Apply pesticide to remove Kikuyu grass from Hybrid Bermudagrass
- Apply pesticide to remove Poa annua from Hybrid Bermudagrass

Hardscape:

- Apply pesticide to address any weeds in hardscape areas and along fence lines

Prep infields:

- Level and add infield mix (Gail Materials Pro Gold Infield Mix-no substitute) as needed to provide adequate drainage to prevent puddling. Infield mix will be tilted into a depth of 3” to incorporate and prevent “layering” of material.
- Roll infields with vibratory roller **every month** to provide consistent compaction. This will need to be performed 3-4 times. Roller will be supplied by us.
- Add infield conditioner (Gail Materials Playball Premium CC Infield Conditioner or equivalent) and drag into infield mix.
- Infield mix will not be dry when dragging. Any infield material or conditioner that gets on the surrounding turf will be physically removed the same day with a broom or blower.
- Re-roll infields with vibratory roller
- Verticut Turf edges to eliminate areas raised from accumulation of infield mix
- Spray pesticide on infield turf edges to straighten lines

Irrigation:

- Set up irrigation schedules for infield irrigation to water every night after games.
- Set up irrigation schedules for infield irrigation to flood infields on Sundays
- Adjust all irrigation for proper coverage

Facilities:

- Check electrical outlets on backstops at fields 1 and 2 for operation. All electrical issues will be reported to the Project Manager immediately. Any repairs will be handled as an extra work item and billed accordingly.
- Check "pipe gates" at entrances to east parking lot for operation and condition of paint. We will touch up gates with paint supplied by the city of Oxnard. We will also make repairs as needed.

January-July

- Mow every Sunday and Wednesday with reel type mower @ 1/2"-3/4".
- Paint outfield lines/coaches boxes every Monday. Use fold-a-goal spray cans or equivalent. Use whatever means necessary to ensure straight lines.
- Program Musco Field lights to accommodate league use
- Drag infields Tuesday-Saturday.
- Open three gates for league games and practice at 4:30 pm.
- Prepare infields for games that start in February.
- We will address wet spots caused by damaged irrigation or irrigation controller malfunctions.
- During the week, we will enter School after the last class is dismissed. We will coordinate this with the School.
- On Saturdays schedule, work will be completed 30 minutes prior to first game
- Drag infields, chalk foul lines, batters boxes, pitcher circle and other lines needed, set out bases

- Ensure all trash is removed from site. This includes fence lines, dugouts, turf and spectator areas.
- Drag infields in accordance to the cities standards and practices, store bases, remove trash. (**NOTE: This activity will be completed at the onset of the next morning to make sure all items are done in a complete and appropriate manner.)**
- Close and lock three gates and turn off field lights.

February

- Apply Ronstar G Herbicide at the recommended rate to control Annual Bluegrass.

Spring Break

- Aerify if needed. We will provide a one-time price for outfield aeration and for infield aeration.
- Fertilize with Contec DG 18-9-18 fertilizer at a rate of 1LB AN/1000sf. This will also be done in the month of May.
- Repair any damaged turf areas
- Repair any low infield areas

June-July

Tournaments

- Schedule work with Leagues
- Prep infields for first game of the day only
- Drag infields in accordance to the cities standards and practices. (**NOTE: This activity will be completed at the onset of the next morning to make sure all items are done in a complete and appropriate manner.)**

July-August

Infields

- Level and add infield mix as needed
- Add and drag in infield conditioner
- Verticut Turf edges to eliminate areas raised from accumulation of infield mix
- Spray infield turf edges to straighten lines

Other areas

- Repair all worn turf areas in front of dugouts
- Repair/repaint infield backstop wood boards
- Inspect backstop netting and repair as needed
- Check electrical outlets on backstops of fields 1 and 2 then make sure they are turned off at the breaker
- Check no parking signs and re-paint on curbs in east parking lot and repair as needed. Paint to be provided by City of Oxnard.

SPECIAL NOTE: Due to the lateness of the games being completed and our crews need to be up early the next morning, we have included in our plan to hire a local security company as a subcontractor to lock the three gates after the games and turn off all lights. This will be included in our monthly pricing.

Thank you for this opportunity to submit this proposal. I will follow up with you in the next few days to answer any questions you may have. Feel free to contact me at **818-384-6667** or by email at **William.Jacobson@brightview.com**.

Sincerely,

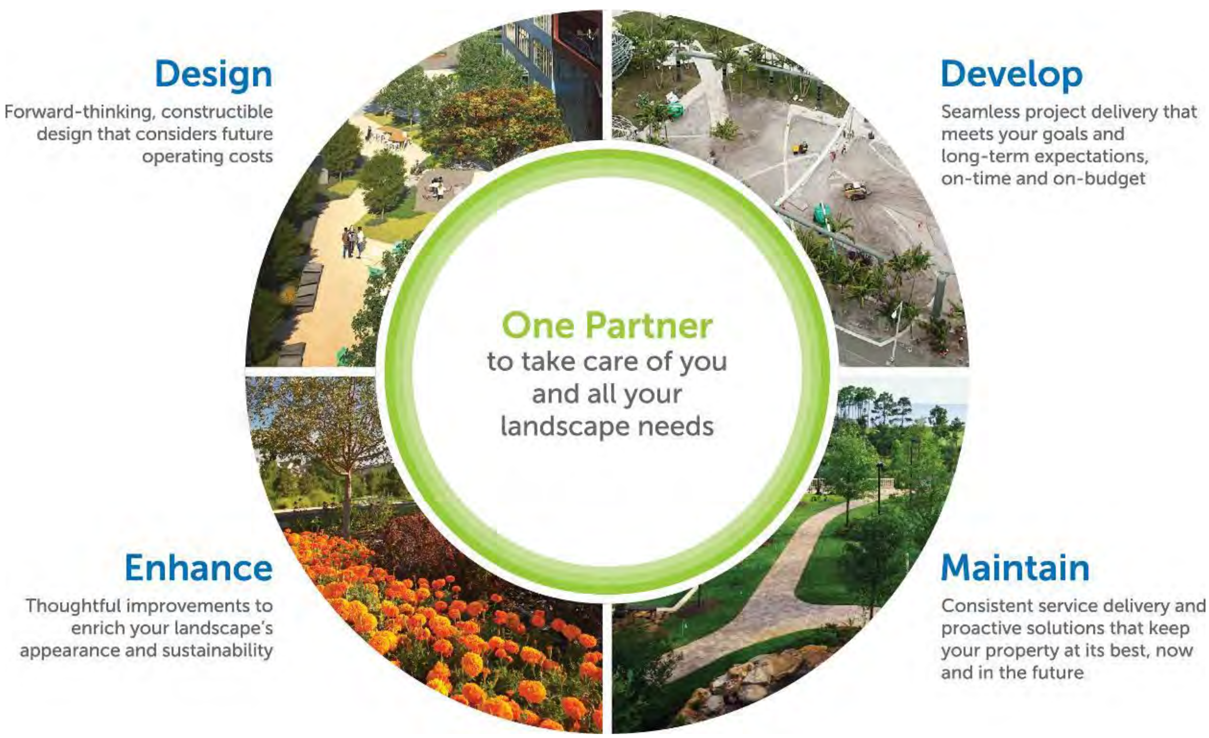
Bill Jacobson	Greg Santamaria
Business Developer	**Branch Manager**

What's inside

Your Full Service Landscape Expert

BrightView offers your company the highest-quality landscape and snow services with a worry-free, dependable service commitment. As the nation's leading landscape service company, we consistently bring excellent landscapes to life at thousands of clients' properties, fostering collaborative relationships to drive clients' success.

A full service landscape company, BrightView can mobilize quickly to respond to special requests that may fall outside of the scope of landscape maintenance. In addition to landscape maintenance, our expertise extends to:



Design	Develop	Maintain	Enhance
• Landscape Architecture & Planning • Design Build • Program Management	• Planting • Hardscaped • Pools & Water Features • Compliance • Tree Growing & Moving	• Landscape • Tree Care • Specialty Turf • Exterior Maintenance	• Enhancements • Sustainability • Water Management

Client Service Team for Your Company

The team selected to maintain Rio Del Mar Elementary and Rio Vista Middle School Sports Fields has the skills and experience necessary to meet your specific needs and expectations.

YOUR SUPPORT TEAM	SERVICES PROVIDED
Account Manager Tony Medina	• Accountable for customer satisfaction • Primary customer contact • Ensures compliance to job specifications and quality
Branch Manager Greg Santamaria	• Ensure quality and efficient landscape management for clients • Consistently improves best practices within the service branch • Lead and support all branch personnel
Crew Leader TBD	• Ensure readiness of workers, tools and materials • Trains field personnel • Performs and leads job specifications
Vice-President/General Manager Rene Rivera	• Ensures quality and efficient landscape management for clients • Responsible for supporting the entire market's successful operation

Experience
The Difference in Quality

We strive to be the landscape service provider of choice in Oxnard In large part, our ability to offer unmatched quality to our customers has been attributed to the tools and systems we have developed over our history. The primary systems that support our quality standards include:

Communication Systems

Proactive communication that allows us to be highly responsive to emergencies, special requests and acts of nature

Quality Evaluations

Management led evaluations that ensure our internal quality standards are met and our employees can achieve continuous improvement

Customer Satisfaction

Empirically measured customer satisfaction that is taken seriously. Our goal is 100% satisfied customers

Training Programs

Intensive skills, customer relations, and quality training ensure our team can consistently exceed your expectations

Safety Standards

Training and incentive programs ensure your property remains hazard free and our employees can return home safely.

Tracking & Reporting

BrightView uses state of the art systems that allow us to record your requirements and manage to your needs – over time.

Communication Catered to You

To ensure a successful partnership, effective communication is one of our top priorities. We have found the best way to keep our customers highly satisfied is to always make sure we understand your current needs and priorities. We believe strongly in being proactive in our communication and have designed several forms and checklists our customers find valuable for staying apprised of their landscape status and maintenance activity. Additionally, we are equipped to respond quickly to new and unexpected needs as they arise, including:

- Walk your property with you to continually be aware of your priorities
- Report our daily maintenance activities as often as you prefer
- Provide digital photos to verify technical issues, damage and plant and tree health

Consistency in Quality
Efficiently Delivered

Our goal is to consistently offer the best value in the marketplace by providing unmatched service, a customized approach focused on your specific priorities and a well maintained landscape you and the community are proud of – all while meeting your predetermined budget parameters. Doing this requires operational excellence. The operational practices that allow us to consistently meet our customers' expectations include:

- **The industry's top talent** – When selecting teams for each property, we match the specific landscape needs with our most appropriately experienced talent. At BrightView, we have a deep pool of talent. We recruit from the top horticultural and landscape schools in the country and have an all-encompassing training program that ensures our crews perform at their peak year round.
- **State-of-the-art equipment** – Our crews operate high quality and well-maintained equipment and are trained to use the most effective tool for each task on your property. The result – a better end product achieved with greater efficiency and fewer injuries.
- **Horticultural excellence** – Plant material looks and performs its best when maintained properly. Our horticultural experts understand the science of landscape maintenance and will ensure the plant material on your property receives the proper care for each season and as unexpected circumstances arise.
- **Innovation** – Lead or follow; we choose to lead. BrightView seeks out and tests the latest technology so we can help our customers reduce operating costs; benefit from greater efficiencies and have all around healthier and higher performing plant material.
- **Systematic operations** – We deploy to ensure our crews focus on your priorities and important details are not overlooked. Our approach is to design the most effective path of motion for the work to be performed, specify the equipment to be used and supply our crew with detailed site plans that show their daily, weekly and monthly activities.
- **Continuous improvement** – We routinely evaluate for safety, quality and effectiveness in a persistent effort to be better today than we were yesterday.

Our Eye
Is Always on Quality and
Continuous Improvement

Our team management will review your property periodically to ensure our crew is meeting quality standards and your expectations. This internal review process is an important element of our quality assurance and continuous improvement programs. The crew takes these reports very seriously as they impact their compensation.

Your Complete Satisfaction
Is Our #1 Goal

We judge our success by the complete satisfaction of our customers. Every member of your landscape team will strive to earn your trust and loyalty through a proactive relationship in which we consistently perform work of the highest quality with unmatched responsiveness. To meet this goal, we continually collect feedback through a comprehensive customer satisfaction program. We use the valuable insight gained through our survey program to determine system improvements and guide the content of our employee training program.

Training Our Team to Exceed Your Expectations

We understand that well trained and tenured team members provide outstanding quality and customer service. Every Gardener on your team is required to complete our certification program, which prepares your crew with the skills to perform quality work, safely and to your complete satisfaction.

Gardeners are offered training to progress along a career track within BrightView. We have found that our career progression opportunities and training motivates our team members to perform at their peak and remain committed to our company and our customers.

A Safe Community and Workplace is Our Priority

The safety and well being of our customers, your property visitors, the general public, and our employees is of paramount importance to our operation. Below are measures we employ to maintain a safe working environment on and off your property.

Preserving a safe environment

- Criminal background checks
- Initial and random driving record checks
- Initial and random drug/alcohol screenings
- Fully uniformed crews with safety vests
- BrightView logo clearly displayed on vehicles
- "How's my driving?" stickers on vehicles
- Required use of cones to demark safety zone

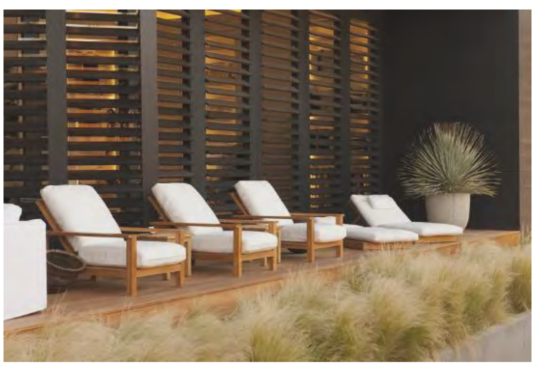
Crew Safety

- Extensive driver safety certification program
- New hire safety orientation
- Certification required to use all power equipment
- Reward system for safety compliance
- Mandatory weekly field crew safety meetings
- Weekly management safety calls

LEED Assistance to Green Your Landscape And Next Year's Budget

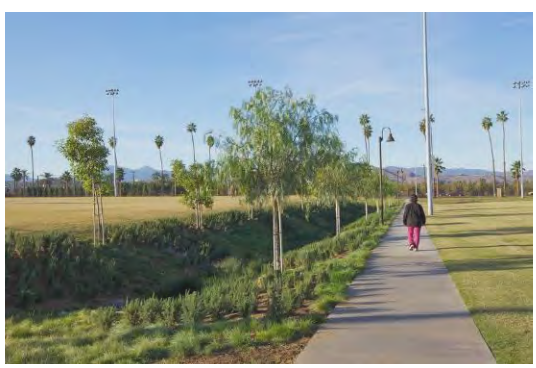
Through proper planning and execution, a strategic landscape management plan can help meet environmental and financial objectives in these times of increased awareness and attention to the bottom line. Horticultural improvements, reducing water consumption and sending less waste to landfills can minimize your environmental footprint and yield big returns. With 14 points potentially coming from the landscape for LEED® certification, we can help you:

- Reduce potable water use, energy & emissions and landscape waste
- Eliminate soil erosion
- Keep storm water on site
- Increase shade on hardscapes
- Create natural areas in urban landscapes
- Salvage and preserve onsite trees
- Assess viability of a green roof and assist with design and installation



A variety of low water use plant material is available.

Shade combats heat island effect and provides comfort.



Saving Water Makes Cents

Water is money and every drop counts. Thus, we will water your plant material based on actual need, no more, no less. Our water management expertise has helped our customers save significant amounts of water, which translates to significant savings. We will start with a thorough assessment of your current irrigation system and offer our recommendations for better managing your water supply. This includes:

- Perform a detailed irrigation evaluation of your current system
- Calculate potential savings based on past water usage and landscape needs
- Create a customized water management plan that ensures uniform coverage, reduced runoff and efficient operation
- Assess plant palette and make recommendations that can reduce overall water consumption
- Recommend smart controller options appropriate for your property with detailed information on pricing, water savings and other additional benefits you can expect
- Monitor existing and/or new system for stuck valves, breaks and other inefficiencies to prevent water-use waste and damage

Irrigation management technology

Irrigation analysis

Emergency Response Team
Ready When You Need Us

With hundreds of locations, we can dispatch faster than other landscape service providers in the event of a catastrophic situation, including severe weather conditions.

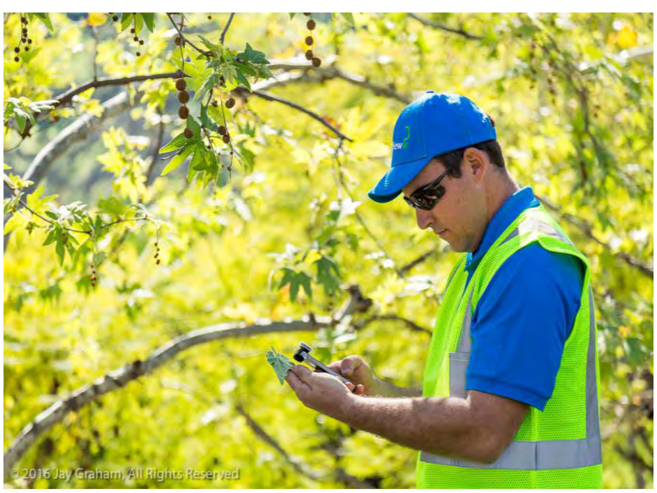
When a catastrophe occurs, Tony, will personally draw on resources and pull equipment from within the BrightView network to ensure your property is quickly, properly and safely serviced.

Resources from branch offices will be available in the event of an emergency to ensure our customers have access to crews and equipment quickly.

Protecting Your Trees
One of Your
Most Important Investments

You can count on us to preserve your trees, enhance their appearance, increase their production, improve safety and reduce liability – all to protect one of your most important investments on Your Company properties in Oxnard. Our ISA Certified Arborists offer a comprehensive list of services and will be available to you for everything you may need to keep your trees healthy and beautiful. Tree Care services include:

- Tree pruning
- Soil and tissue analysis
- Annual and 3-5-year budget planning
- Cabling and bracing
- Emergency storm clearance
- Tree removal and stump grinding
- Inventory and management plans
- Insect and disease control
- Nutrient management
- Fertilization
- Transplant and relocation
- Nuisance fruit production control
- Hazard evaluation and management



Evaluating tree health

Tree trimmed for proper building clearance

Competitive Pricing
That Fits Your Budget

We are committed to fulfilling the specific landscape needs of Rio Del Mar Elementary and Rio Vista Middle School Sports Fields while providing the service you expect at a price point that fits your budget. BrightView will provide the following competitive pricing per specifications as noted.

Base Management

Base Management Monthly Price	**$20,756**
Base Management Yearly Fee Total	**$249,069**

REQUEST FOR BID

The City of Oxnard Special District Division is seeking bids from qualified vendors to provide softball field maintenance services at Riverpark CFD 5. Service components are: routine landscape field maintenance, pest control, and painting and chalking lines. Bids are due on July 20 by 2:00 p.m. at the City of Oxnard Purchasing Department located at 300 W. Third Street, 2nd Floor, Oxnard, CA 93030, ATTN: Sandra Burkhart. A copy of the requirements and specifications may be obtained from the City of Oxnard website at www.oxnard.org or at the Purchasing Office. Any inquiries regarding this notice should be directed to Sandra Burkhart, Special Districts Manager, at (805) 385-7578 or email at Sandra.Burkhart@oxnard.org.

To publish, send by Tuesday to Manual Munoz at Vidanews@aol.com

	CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Report AGENDA ITEM NO.: 2

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

Greg Nyhoff

FROM: Jim Throop
Chief Financial Officer

Jim Throop

SUBJECT: Independent Financial Advisor Agreement (15/25/10)

CONTACT: Jim Throop, Chief Financial Officer
Jim.Throop@oxnard.org, 385-7475

RECOMMENDATION:

That City Council:

1. Authorize the Mayor to execute a three-year agreement for not to exceed $300,000, with an option for two one-year extensions, with NHA Advisors for financial advisory services relating to financial analysis and professional services associated with management and issuance of the long-term debt of the City of Oxnard and any other financial analysis and assistance as deemed needed; and

2. Approve appropriations in the amount of $100,000 to supplement appropriations approved in the Fiscal 2017-2018 budget for financial advisory services. Future appropriations will be part of the budgetary process.

BACKGROUND

This item was presented to the City Council Fiscal Policy Task Force on September 13, 2017.

The City of Oxnard has worked with FirstSouthwest, a Division of Hilltop Securities, for financial advisory services since February 2014. Amendments have extended the contract through September 30, 2017. In keeping with the City Council's interest in using competitive selection for multi-year professional service agreements, the Finance Department issued a request for proposals for Financial Advisory Services (RFP). The RFP was based on the approach recommended by the Government Finance Officers Association of the United States and Canada (GFOA) in its publication *A Guide for Selecting Financial Advisors and Underwriters (Guide)*.

A key Guide provision is to select financial advisors whose compensation is independent of the size and structure of the financial transaction under consideration. The scope of services is detailed in the attached RFP. Other important services include the ability to provide analysis independent of a specific transaction that would help the City develop plans for long term bond and actuarial debt to improve its financial position and assistance in developing an investor relations program and procedures consistent with GFOA best practices and the requirements of SB 1029. That legislation implements the recommendations of The California Treasurer's Task Force on Bond Accountability. Other participants in the capital markets have seen increased scrutiny over disclosure issues because the SEC has been actively enforcing the provisions of Rule 15c2-12 regulating disclosures for tax exempt debt. (http://www.msrb.org/msrb1/pdfs/SECRule15c2-12.pdf)

The financial advisor (FA) selection process included written responses to the RFP. Six proposals were received. Although many firms provide underwriting services where compensation derives from purchasing and reselling debt, fewer firms provide independent advisory services that focus on obtaining the best price from underwriters and assuring that commissions, discounts and premiums and pricing for each bond maturity are fair and competitive. Raters included the Chief Financial Officer, the Assistant Chief Financial Officer, and both Assistant City Managers.

Four highly rated written responses were invited for interviews; FirstSouthwest, Public Financial Management (PFM), KNN and NHA Advisors (NHA). All the finalists have years of experience in California, as well as nationally, and were ranked among the top issuers of California public agency debt in terms of dollar amounts or numbers of transactions managed in recent years.

Following the interview process, the raters met and discussed the different proposers. NHA is recommended because the firm's experience in providing high levels of support and tailored solutions for each client, presented effectively in the written proposal and the interviews. The raters, all of whom have experience with and will participate in debt issuance, are confident that NHA will provide effective services.

Staff extends its thanks to all of the other participants in the financial advisor selection process. All provided excellent materials and presented the strengths of their firms effectively.

NHA's services are planned to begin on October 1, 2017. Initial priorities for NHA will be to do a comprehensive debt portfolio review, debt restructuring analysis, CalPERS pension liability analysis, assisting staff in issuing an RFQ for Bond Counsel and Disclosure Counsel services. The current contract for debt related legal advice expires on December 31, 2017.

With the financing team in place, the City, with the assistance of the FA, can concentrate on helping the staff develop an investor relations program and disclosure policies and procedures. The legal requirements for dealing with capital markets require expert attorneys and municipal advisors to assure compliance with laws and regulations. The programs should also meet the expectation of capital markets participants and regulators.

As it assists with the investor relations program NHA will also assist the City with strategic financial planning that incorporates asset master plans for major asset systems, new impact fee and special district policies and expected increases in CalPERS rates and the more rigorous reporting requirements for pension debt and debt related to other post-employment benefits (OPEB). Long range fiscal health and sustainability will depend on long range planning and policies.

STRATEGIC PRIORITIES:

The selection process for financial advisors relates to the City Council's Organizational Effectiveness Strategy and contributes to progress in achieving Goal 1, the creation of a healthy support service foundation for the organization and Goal 2, increased transparency related to financial management processes.

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

Costs for the Financial Advisor will be incurred by an hourly basis. These costs will either be directly booked to the appropriate fund (i.e., General Fund, Utility Fund, etc.) for work done that directly impacts a particular fund, or the general costs will be allocated to all funds through the City's cost allocation model.

It is estimated that the annual financial advisor costs are estimated to be $100,000 per year, which is comparable to the current agreement. Costs for FY17 were approximately $77,000.

The annual amount will vary depending on the amount of service that the City is requesting from the advisor. This service could be in the form of bond debt restructuring, PERS/PARS retirement analysis, OPEB analysis, or other types of financial assistance that may be needed.

For FY2018, an appropriation of $100,000 will need to be approved. It is recommended to have $50,000 from the General Fund reserves to Finance Administration professional contract line item, and $50,000 from the three enterprise funds reserves to corresponding enterprise funds professional contract line items. Costs for the General Fund, will be allocated out to other funds via the City's cost allocation model. FY2017-18 year-end General Fund reserve estimates are $18.9 million.

All future financial advisor costs will be part of the City's annual budget process.

ATTACHMENTS:

Attachment A: NHA Advisors - A-8012

Attachment B: AGuideForSelectingFinancialAdvisorsAndUnderwriters

Attachment C: FA RFP

Attachment D: Oxnard Proposal (NHA Advisors)

Attachment E: Oxnard RFP - NHA Advisors Appendix

Attachment F: LOCC _ 2016-Appendix-A-SB-1029-Resource

Attachment G: MSRB - Rule 15c2-12

Attachment H: BA - FY18 Financial Advisor Agreement

Agreement No. A-8012

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES (**"Agreement"**) is made and entered into in the County of Ventura, State of California, this 11 day of September, 2017, by and between the City of Oxnard, a municipal corporation (**"City"**), and NHA Advisors (**"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 Jim Throop (**"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 pursuant to the schedule provided in **Exhibit B** attached hereto and incorporated by this reference in full herein. 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 Craig Hill 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 October 1, 2017, and expire on December 31, 2020. The City will have the option to extend the agreement for two (2) additional one (1) year periods.

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 $300,000.00 for the Services at rates provided in **Exhibit C** 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

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-A**, 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-A.** Evidence of insurance coverage shall be forwarded to the Risk Manager, addressed as specified in **Exhibit INS-A**.

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

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.

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 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 NHA Advisors, 4040 Civic Center Drive, Suite 200, San Rafael, CA 94903, Attention: Craig Hill, Principal.

b. Any notices to City may be delivered personally or by mail addressed to City of Oxnard, Finance Department, 300 W. Third Street, Suite 302, Oxnard, California 93030, Attention: Jim Throop, Chief Financial Officer.

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. A-8012

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

CITY OF OXNARD

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

☐ Greg Nyhoff, City Manager (if agreement is $25,000.01-$250,000.00)

☐ Jim Throop, Purchasing Agent (if agreement is up to $25,000.00)

ATTEST:

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

APPROVED AS TO FORM:

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

APPROVED AS TO CONTENT:

Jim Throop, Project Manager (required for any agreement amount) — Date

Jim Throop, Department Head (if agreement is $25,000.01 or more) — 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

CONSULTANT

Craig Hill, Principal — Date

Mark Northcross, Principal — 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

Agreement No. A-8012

EXHIBIT A

SCOPE OF SERVICES

Financial Advisor tasks and responsibilities.

A. Advise and assist the City in the development, structure and timing of the issuance of bonds in accordance with applicable laws, customs, and practices governing such issuance.

B. Advise and assist the City in considering and structuring various modes of financing, including but not limited to refundings, taxable bonds, credit-enhancement, leased equipment financings, general obligation bonds, pension obligation bonds, redevelopment bonds, and lease revenue bonds/certificates of participation that maximize the resources available to produce a financially sound and cost-effective transaction.

C. Advise on the amount, timing, and nature of borrowings, as well as the credit structure, maturity schedule, call provisions and other matters which may assist the City in obtaining the lowest practical interest cost and the widest competition for purchase of its bonds, as needed.

D. Advise on the merits of competitive, negotiated or private placement of debt.

E. Analyze and make recommendations relating to various financing options so as to secure the lowest practical interest rate; enhance the marketability of the bonds; achieve the widest competition for bond purchase to include retail, institutional, and other investor classes; and achieve optimal leverage of City resources, while maintaining a prudent level of risk, through debt obligations. Identify the advantages and disadvantages of any recommendations.

F. Assist in the preparation of the preliminary and final official statements, notices of sale (competitive offerings), other appropriate information to prospective bond and note investors, and any materials required to facilitate the sale of the bonds.

G. Assist in the preparation and review of legal and financing documents in coordination with City Attorney, bond counsel, underwriter's counsel (if any), disclosure counsel, City Staff, and other relevant parties. These documents shall include regulations, rules, proposed legislation, and other documents relating to the City's financing programs.

H. Assist in preparing and presenting timely and adequate information on proposed financings and the City's finances and operations to the bond rating agencies and institutions providing credit enhancement.

I. Evaluate the terms and recommendation of acceptance, rejection or renegotiation with respect to sale bids or final pricing as applicable. This includes confirmation of competitive bids, and verification reports in the case of refundings.

J. Advise on such matters as bond registration, printing, and other matters related to the settlement and delivery of the bonds or notes, as required.

K. Assist with preparation of RFP/Q's and evaluation of proposals for the procurement of:

- Credit enhancements, including LOCs and bond insurance
- Investment banking services
- Financial printing
- Competitive offerings
- Paying Agent or Trustee
- Escrow Agent, if required
- Verification Agent, if required
- Any other agents or consultants as required by the City

L. In the case of competitive offerings, assume responsibility for the following:

- Preparation and advertisement of Notice of Sale
- Preparation of Bid Form
- Advice as to manner of bid procedures
- Management of competitive bidding procedures
- Analyze the bids and identify the most favorable bid

M. Attend (in person or by telephone, as required) meetings related to debt offerings and participation in the deliberations at such meetings, including:

- Preparation of Official Statement with the entire working group
- Due diligence
- Rating agency presentations
- Investors' presentation
- Acquiring Insurance
- Pricing
- Closing

N. Provide ongoing financial advisory services as necessary, including:

- Review financial issues with the rating agencies (and arrange and support calls and meetings) relating to specific debt issues and to periodic updates.
- Evaluate unsolicited financial proposals received by the City, including, but not limited to refundings and alternate forms of financing vehicles like risk management products.
- Provide advice on investor relations and assistance in preparation of related presentation materials.

O. Advise and assist the City in structuring short-term financing programs including tax revenue anticipation notes, lines of credit, letters of credit, commercial paper programs, or other financings, as required.

P. Assist the City in drafting and preparing Continuing Disclosure documents for the investor community.

Q. Assist the City when necessary in the negotiation and preparation of any agreements between the City and other jurisdictions participating in any financing program.

R. As necessary, resolve issues regarding the sale and issuance of bonds that are raised by prospective purchasers, rating agencies, or public officials.

S. As requested, prepare and maintain projected debt service, debt outstanding and other schedules related to City debt for use in the City budgeting processes and official statements.

T. Provide other technical assistance on debt financings, bond ratings and financing alternatives as requested by the City.

U. Prepare a comprehensive "Final Pricing Book" for the financing transaction.

Expanded Financial Advisor Responsibilities

SEC and CDIAC compliance

A. Provide advice and assistance to help the City implement the provisions of SB 1029 and CDIAC's related transparency regulations.

B. Provide advice and assistance in development of a disclosure policy and related procedures. Participate in the disclosure process in compliance with the policy and procedures adopted by the City Council.

C. Brief City staff on SEC Rule 15c2-12 disclosure requirements and assure that disclosure policies and procedures conform to SEC requirements.

D. Coordinate compliance work with the City Attorney's office and attorneys providing Bond or Disclosure Counsel services.

Investor Relations Program

A. Provide advice and assistance in the planning, design and implementation of a robust investor relations program consistent with GFOA's Best Practice – Maintaining an investor relations program.

B. Analyze the risks and barriers the City faces in issuing debt at reasonable cost to prioritize the investor relations effort.

C. Participate in investor relations related activity planning and execution, coordinated with attorneys when necessary.

Rate swaps and Letters of Credit

A. Rapidly assess technical issues presented by the variable rate debt, letters of credit and interest rate swaps, analyze and present options and analyze related risks.

B. Contact Union Bank/MUFG, RBC and potential replacement LOC providers to assure a professional, well controlled process for working through the issues facing the City while building confidence among capital market participants.

C. Help city staff initiate and complete critical steps to resolve issues.

D. Work with, City staff and counsel to provide briefings and presentations for the City Manager, City Attorney and City Council that are consistent and credible.

EXHIBIT B

SCHEDULE OF SERVICES

The Services described in Exhibit A and other services that may be mutually agreed upon by the parties to the agreement shall be performed during the period starting October 1, 2017 and December 31, 2020, with the option to extend the agreement for two (2) additional one (1) year periods. The City shall estimate and propose budgets the amount required for each fiscal year through consultation by the Manager and the Consultant. Before commencing work on assignments that could exceed appropriated amounts, Consultant will provide information as required to support requests for appropriate funding.

EXHIBIT C

COMPENSATION RATES

Compensation relating to planned debt issuance shall be compensated based on amounts approved by the Manager based on the size and complexity of the proposed debt issue. The following guidelines should be considered when budgets are prepared for funds related to the planned debt issuance.

Debt type	Compensation range
Amounts are Negotiated for each bond issue	
Tax and Revenue Anticipation Notes	$20,000 -$32,500
General Obligation and Lease Revenue Bonds	$42,500 - $67,500
Lease Revenue Bonds/Certificates of Participation	$42,500 - $67,500
Tax Allocation Bonds	$57,500 - $92,500
Assessment Districts	$37,500 - $72,500
Community Facilities District	$47,500 - $72,500
Revenue Bonds	$47,500 - $87,500

ADVISORY SERVICES (CONSULTING)
For projects that do not have a defined financial solution from inception, Contractor will approach these assignments objectively without prejudice for a bond financing. For projects that are not directly tied to the issuance of any obligations, or at the request of the City, Contractor will provide financial advisory/consulting services on an hourly basis. Contractor hourly professional billing rates are shown in the table below.

Person	Hourly Rate
Principal	$325
Vice President	$250
Associate	$175
Analyst	$125
Administrative	$75

Compensation for services covered by this contract shall not in any case exceed the amount of $300,000 appropriated by the City Council for Financial Advisory Services.

a guide for selecting financial advisors and underwriters

WRITING RFPs AND EVALUATING PROPOSALS

BY PATRICIA TIGUE

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Guide for Selecting Financial Advisors and Underwriters

Writing RFPs and Evaluating Proposals

by Patricia Tigue

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Contents

Foreword

Financial advisors and underwriters are key players in the issuance of bonds by state and local governments. The quality of the services provided by firms serving in these roles is integral to the ability of a government to meet important financing objectives and obtain the lowest overall costs of financing. Issuers need to have confidence that the professionals they have chosen are knowledgeable and will work actively on their behalf. A request for proposals (RFP) is a tool that can help an issuer select the best firms to provide financial advisory and underwriting services.

A Guide for Selecting Financial Advisors and Underwriters: Writing RFPs and Evaluating Proposals is the second publication in the "Documents on Disk" series offered by the Government Finance Officers Association (GFOA). This publication stems from work undertaken by the Subcommittee on Recommended Practices of the GFOA's Committee on Governmental Debt and Fiscal Policy in preparing a recommended practice on this topic. Subcommittee members agreed that a more detailed discussion of this topic was needed, and several members of the subcommittee and the full committee have reviewed this publication.

The GFOA wishes to thank Patricia Tigue, Manager in the Research Center of the GFOA, for preparing this publication. We also wish to thank Rita Alston, Metropolitan Washington Airports Authority; Ben Hayllar, Director of Finance, City of Philadelphia, Pennsylvania; John Hearn, Treasurer, Orlando Utilities Commission, Orlando, Florida; Kenneth L. Rust, Debt Manager, City of Portland, Oregon; Peter W. Schaafsma, Executive Director, California Debt and Investment Advisory Commission; and Cathy Spain, Director of GFOA's Federal Liaison Center for reviewing the publication. In addition, we extend our thanks Patti Gorczyca and Enrique Melcer

of Public Financial Management, Inc. for their assistance in gathering RFPs. Finally, we appreciate the willingness of the following jurisdictions to permit their RFPs to be used in this publication: Cobb County, Georgia; State of Florida; City of Kansas City, Kansas; City of La Quinta, California; Lehigh County, Pennsylvania; City of Norfolk, Virginia; City of Portland, Oregon; City of San Francisco, California; Santa Clara Valley Water District, California; South Essex Sewerage Board, Massachusetts; and Western Riverside County Regional Wastewater Authority, California.

Jeffrey L. Esser
Executive Director

Introduction

Selecting the finance team is one of the most important steps in the preparation for a bond sale. A financial advisor is one of the first team members employed by the issuer. If the issuer is contemplating a negotiated sale, the senior managing underwriter will also play a central role. Issuers must feel comfortable that the team they have chosen has the necessary experience and qualifications to complete the sale of bonds at the lowest cost given market conditions and to accomplish other important issuer objectives for the sale. Issuing a request for proposals (RFP) and selecting the firm on the basis of responses to the RFP can help a governmental issuer select the most qualified firms to serve as financial advisor and senior managing underwriter.

This booklet provides guidance on how to develop a good RFP process for the selection of financial advisors and senior managing underwriters. While specifically focused on these two functions, the advice provided is also applicable to the selection of other members of the issuer's finance team, such as bond counsel, investment advisors, or rebate consultants. The publication provides a written overview of the roles typically played by financial advisors and underwriters, elements to include in an RFP for these services, and advice for designing an evaluation process. A diskette containing a set of sample RFPs for financial advisors and underwriters for various types of issues also is included. These sample items have been chosen to provide practical guidance for preparation of an RFP for these services. The RFPs are accessible in both WordPerfect 6.1 and ASCII text formats.

Section 1
Advantages of an RFP Process

When procuring the services of financial advisors and underwriters, a primary objective of the issuer is to select firms that can best meet its particular financing needs. An issuer has greater assurance that this objective will be achieved if the procurement process is structured to promote competition and to ensure equal access to all firms interested in providing the service. In this way, the issuer can compare qualifications of firms and select the one that it considers best able to accomplish these goals. Procuring services through a competitive bidding process also may be required by state or local law. The request for proposals (RFP) is an essential part of a competitive procurement process.

A request for proposals is a document that is used by governments to formally solicit bids for goods and services. The RFP defines the scope of services to be provided, identifies terms and conditions of the work engagement, and relates instructions on how bids are to be submitted and evaluated. Using an RFP process to select financial advisors and underwriters offers a number of benefits, including the following:

- facilitates comparisons of the qualifications of firms and individuals;
- permits initial price comparison;
- makes clear what is expected, including roles, responsibilities and tasks; and
- encourages an objective evaluation of each firm.

Should an RFP process always be used? In some circumstances, a government may find it advantageous to select firms without going through a formal RFP process. For example, a government may want to use the services of a firm that brings to it a particularly innovative idea that helps it achieve important objectives. Very small governments with few resources may find that selecting a firm based on the recommendations of others may be the most efficient means of obtaining services. These practices may be reasonable, but governments should be cautious when selecting a firm in this manner. At a minimum, governments need to be sensitive to how such a selection process will be perceived by the public and by those firms not selected. The selection process may generate unfavorable publicity for the government or result in legal challenges from other firms. Governments that choose firms in this manner should be sure that good documentation exists to justify its selection decision.

It is important for governments employing a financial advisor or underwriter for an extended period of time to periodically rebid these services, even if they are generally satisfied with their current service providers. While an RFP process does take time, it helps to ensure that firms continue to offer their best ideas and provides assurance to the government that it is getting the best available service.

Rather than issue an RFP, issuers sometimes use a mechanism that is similar to a request for proposals--a request for qualifications (RFQ). This procurement option is used when governments desire to create a pool of qualified professionals from which they may procure services as needed. The RFQ process is similar to the one described in this publication for RFPs, and will not be discussed separately.

Section 2
Decisions Needed Before Issuing the RFP

Before issuing an RFP, the issuer needs to develop an understanding of policy goals to be achieved and its overall service needs. It is important to take the time to think through these issues early so that issuer expectations can be clearly communicated in the RFP. This helps firms responding to the RFP better address issues that are likely to be of greatest interest to the issuer.

An evaluation of policy objectives is the first step in writing a good RFP. The government must be sure that financial or programmatic policy objectives are clearly understood and how the services being contemplated relate to achieving those objectives. If a bond sale is planned, the government's debt policies should be reviewed carefully to identify any constraints that may limit financing plans. Another type of policy that should be considered is issuer goals for participation of minority- or women-owned firms both in terms of their inclusion on the finance team and the allocation of bonds to these participants. There also may be goals regarding the participation of local or regional firms in the planned bond sale. Governments that have specific policy objectives need to be clear about these goals up front and consider how they should be communicated in the RFP.

Issuers should consider a variety of factors when defining their service needs. Among the questions the issuer should ask itself are the following:

- What role does the issuer intend to play? How much involvement will it have in completing various tasks and which tasks will be delegated?

- Will a firm be used to provide general assistance in developing financing alternatives in the context of capital planning activities or will it provide advice related to the sale of bonds?
- Will the services of a firm be used for an extended period of time or for one transaction only?
- If a bond issue is planned, what type of issue is being considered (e.g., general obligation bonds v. revenue bonds, bonds for specific uses such as transportation or housing, etc.)? Are there particular characteristics of the planned offering that could make the issue difficult to market (e.g., complex security features, credit concerns)?
- What are the issuer's expectations regarding the method of sale--competitive, negotiated or private placement?[1]

Answers to these questions will assist the issuer in designing an RFP that helps in achieving its particular goals.

[1] For guidance on the method of sale, see GFOA Recommended Practice entitled, "Choosing the Method of Sale," and *Competitive v. Negotiated: How to Choose the Method of Sale for Tax-Exempt Bonds*, GFOA, 1994.

Section 3
Role of the Financial Advisor and Underwriter

One of the first tasks of the issuer in preparing an RFP is to define the scope of services that is required. The issuer will need to have an understanding of how it plans to use its financial advisor or underwriter in order to make sure its expectations are adequately conveyed in the RFP. The range of tasks that are normally undertaken by these firms is described in this section.

Financial advisor

The financial advisor can provide valuable assistance in reviewing the capital plan and evaluating alternative financing options before any decision is made to issue bonds. At times, issuing bonds may not be the optimal method to finance a capital project. The financial advisor can assist the issuer in determining which financing options can best accomplish the issuer's goals. The financial advisor can provide recommendations on the mix between capital projects financed with debt and available cash, the suitability of other types of financing vehicles such as leases or public/private partnerships, and legal or statutory changes that might be needed to take advantage of particular financing methods. If debt is outstanding, the financial advisor can evaluate the impact of additional debt on the jurisdiction's financial outlook, debt ratios and credit rating. If a government desires, the financial advisor also can provide assistance in developing a comprehensive capital financing plan.

If the issuer decides to issue bonds, the financial advisor may assist in developing requests for proposals for bond counsel, senior managing underwriter, trustee, paying agent/registrar, escrow verification agent or printer if these firms have not already been selected. The financial advisor also can evaluate proposal responses and make a recommendation to the issuer on the most qualified firms.

Other responsibilities of the financial advisor in the bond issuance process will depend on whether the bonds will be sold competitively or through a negotiated sale. In a competitive sale, the financial advisor provides advice on the size and structure of the bond issue. The financial advisor works with bond counsel to develop the necessary documents for the bond sale, including the official statement, notice of sale and bond ordinance. Other tasks, such as developing the presentation to the rating agencies, evaluating market conditions in order to determine when to enter the market, soliciting bids for and analyzing the cost-effectiveness of bond insurance, and scheduling the sale date, are also coordinated by the financial advisor.

As the date for the sale of bonds approaches, the financial advisor and bond counsel ensure that the notice of sale is published in accordance with state or local law. Advertisements for bids are placed in order to maximize interest and participation in the sale by underwriting firms. The financial advisor often takes a lead role in any pre-bid conference to clarify how bids will be calculated and to address any other concerns of potential bidders. The financial advisor also may follow up with calls to broker/dealers to generate further interest in the sale and to answer any questions regarding the offering or the sale process. On the date of the sale, the financial advisor will assist in evaluating bids, including verification of the true interest cost of each bid. Finally, the financial advisor will assist in closing the transaction, and, if requested by the issuer, provide a follow-up analysis on the bond sale.

The financial advisor serves in a different capacity when employed for a negotiated sale. In this case, the senior managing underwriter often takes the lead role in sizing and structuring the bond sale and evaluating market conditions to determine the timing of the bond sale. The financial advisor's role is to serve as a watchdog for the issuer and ensure the issuer's interests are represented. The financial advisor may be given primary responsibility for certain tasks such as the rating agency presentation, and may assist with other tasks such as preparing the official statement. During the pricing process, the financial advisor reviews the preliminary pricing scale based on its own information to ensure that the proposed interest rates and takedown for each maturity appear reasonable given market conditions. The firm also may be asked to review or help negotiate other components of the underwriters' discount, such as expenses or management fee. As the pricing progresses, the financial advisor makes recommendations about possible repricing of maturities that appear to be over- or under-subscribed, either by adjusting yields or takedowns.[2] The senior managing underwriter generally provides an analysis of the sale once completed; however, the issuer may also request a separate analysis from its financial advisor in order to have an independent perspective on the outcome. Exhibit 1 provides a summary of the functions typically performed by the financial advisor.

Financial advisory services are most commonly provided by investment banks, commercial banks and firms that are subsidiaries of commercial banks, and "independent" financial advisory firms that are not affiliated with an investment or commercial bank. Regardless of the type of firm chosen, the issuer must feel comfortable with the firm and the individuals who will be working on the transaction. In particular, the firm selected must demonstrate its ability to provide objective advice based on a thorough knowledge of market conditions.

A practice that should be clearly avoided is to use a broker/dealer firm to serve as financial advisor, and then permit that firm to underwrite the bonds. Many states flatly prohibit financial advisors participating in underwriting any bonds for which they have acted as financial advisor.[3] Even if not expressly prohibited, issuers need to be aware that a potential conflict of interest exists. For example, the financial advisor may recommend a unique structure based on a particular investor to which it has access, thereby limiting the number of bids on certain maturities the issuer will receive.

To minimize any conflict of interest, issuers deciding to employ a firm with underwriting capabilities to act as financial advisor

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[2] The takedown is compensation to the underwriters for selling the bonds.

[3] The Municipal Securities Rulemaking Board (MSRB), a self-regulatory body with rulemaking authority over dealers, dealer banks, and brokers in municipal securities, has adopted rules in this area. In a negotiated sale, the MSRB requires that

- the financial advisory relationship with respect to the bond issue has ended, as evidenced by a written document, and the issuer has consented in writing to have that firm underwrite its bonds, should avoid permitting the firm to later underwrite its bonds. Issuers should consider limiting the ability of a firm serving as financial advisor to underwrite its bonds for a period of at least a year after its engagement as financial advisor has ended.

Underwriter

Issuers may choose to use a negotiated sale if they expect the offering will be difficult to market, due to factors such as:

- a unique or poor credit is being offered,
- market conditions are volatile or otherwise difficult,
- an unusual structure is being contemplated or
- the bonds are unrated.

In a negotiated sale, the underwriter is employed early in the process. This permits the issuer to take advantage of a particular underwriter's knowledge of the market and assistance in pre-marketing the bonds before the sale, including development of an approach to respond to investor concerns regarding unique structural features or unfavorable perceptions of credit quality. These steps can improve the receptivity of the offering in the municipal market and reduce the overall interest cost paid by the issuer. In order to achieve these benefits, however, the issuer needs to allow sufficient time in the schedule and provide appropriate oversight to ensure that premarketing efforts are occurring.

The major responsibilities of the underwriter in a negotiated sale are to prepare the issue so that it can be brought to market and to purchase bonds from the issuer and market them to investors.

- the broker/dealer firm has notified the issuer in writing that a conflict of interest may exist in switching roles from financial advisor to underwriter, and
- the broker/dealer firm has notified the issuer in writing of the amount of compensation expected to be earned in addition to the amount received as financial advisor.

In a competitive sale, the issuer must agree in writing to permit a firm serving as financial advisor to then bid on its bonds. The MSRB has proposed an amendment to this rule to address potential conflicts of interest that may arise if a financial advisor is permitted to serve as a remarketing agent for variable rate demand obligations. The proposed rule would proclude a firm from serving a financial advisor and remarketing agent as the same time and require disclosures similar to those required for firms switching from a financial advisory role to a remarketing agent.

Exhibit 1

KEY RESPONSIBILITIES OF THE FINANCIAL ADVISOR
(All methods of sale)

- Assists in evaluating capital funding alternatives and developing a financing plan
- Assists with obtaining required authorizations, including referenda
- Provides advice on method of sale (where appropriate)
- Develops RFP for financing team
- Evaluates proposal submissions
- Recommends timing of bond sale
- Identifies tasks, responsibilities, and dates for completing activities leading up to bond sale
- Designs debt structure
- Provides advice on approach to ratings and assists with rating presentation
- Evaluates use of and obtains bids for credit enhancement (if appropriate)
- Assists in producing and reviewing documents, including preliminary and final official statements
- Conducts pre-marketing of issue (competitive sale)
- Evaluates bids, including accuracy of TIC calculation, and recommends award (competitive sale)
- Reviews pricing and allocation of bonds (negotiated sale)
- Assists with closing arrangements
- Provides advice on investment of bond proceeds (if appropriate)
- Provides advice related to compliance with arbitrage regulations

Typically, a group of firms, or syndicate, is selected to underwrite the bonds. The underwriting syndicate is composed of a senior managing underwriter, who coordinates the activities of the syndicate and several co-managers. The senior managing underwriter works most closely with the issuer in getting the issue ready for market, and is generally hired before the co-managers are selected.

Exhibit 2 presents a summary of some of the most common activities undertaken by the senior managing underwriter in a negotiated sale.

Co-managers share the risk of underwriting the bonds with the senior manager. These firms are generally chosen on the basis of their particular marketing strengths. Certain firms are better able to sell to institutional buyers while others are known for their strength in the retail market. The selection of co-managers also may be guided by policy goals seeking broad participation by minority firms or regional firms. Issuers should be especially diligent in making sure that an objective process is used to select co-managers, since this is an area prone to abuse. Firms should not be rewarded with co-manager slots for favors to elected officials or based on other relationships that may create a conflict of interest for the issuer. In selecting firms to serve as co-manager, care should be taken to make sure that each firm meets the issuer's objectives in contributing to the sales effort for its bonds.

A separate RFP can be developed to solicit proposals from firms interested in serving as co-managers. Some issuers use the RFP for senior managing underwriter as a means to identify and select co-managers. The RFP would ask firms to indicate whether they would be willing to be a co-manager if not selected as senior managing underwriter. Responses to questions on marketing strengths could then be evaluated to assess whether a particular firm has the desired qualifications to sell the bonds. In developing the RFP for senior managing underwriter, the issuer also may want to include a question regarding the size and composition of the underwriting syndicate to be used in making decisions on co-managers.

Exhibit 2

KEY RESPONSIBILITIES OF THE SENIOR MANAGING UNDERWRITER

(Negotiated sale)

- Recommends timing of bond sale
- Identifies tasks, responsibilities, and dates for completing activities leading up to bond sale
- Designs debt structure
- Provides advice on approach to ratings and assists with rating presentation
- Evaluates use of and obtains bids for credit enhancement (if appropriate)
- Assists in producing and reviewing documents, including preliminary and final official statements
- Conducts pre-marketing of issue
- Prepares preliminary pricing analysis prior to planned sale date
- Distributes preliminary and final official statements
- Coordinates syndicate activities in pricing and allocating bonds
- Purchases bonds from issuer for sale to final investors
- Assists with closing arrangements
- Completes sales report including designations and allotments

Section 4
Achieving Widespread Distribution of the RFP

An important objective of the procurement process is to encourage competition so that firms submit their best ideas, identify the most qualified staff and propose the lowest price. The fewer the number of firms submitting proposals, the less likely these objectives are to be achieved. Governments are able to foster competition by ensuring the RFP is distributed as widely as possible. Of course, governments may want to impose some limitations if they have particular needs that only certain firms can meet or if they are aware of particular firms that do not have the qualifications that are needed. Within these constraints, an effort should be made to identify as many qualified firms as possible given staff resources.

Identifying firms to include on a list of potential bidders should start with the knowledge of the issuer's needs. If bonds are expected to be issued, the nature of the financing should be generally understood—that is, what type of issue it is, the marketing objectives for the issue (institutional v. retail) and policy objectives. This information can be used to target firms that are known to have experience in particular areas, and to ensure that firms that can help in meeting issuer objectives are aware of the solicitation.

There are a number of ways issuers can collect information about potential bidders. One of the most comprehensive compilations of firms providing underwriting, financial advisory and other services related to the municipal finance industry is *The Bond Buyer's Municipal Marketplace* (sometimes referred to as the "Red Book"). This publication categorizes firms by type of service (broker/dealer, advisor, etc.) and location. Another option is to contact other governments to determine which firms they have considered. Firms sometimes market themselves to issuers, either through advertisements in trade publications or more directly through presentations at conferences, workshops or on-site visits.

Issuers should develop and periodically update a list of firms that can provide financial advisory and underwriting services based on these contacts. The process of identifying potential bidders can initially involve some time. The financial advisor, if employed early in the process, can assist in identifying candidates for other services needed by the issuer, including underwriters. Once the initial legwork has been undertaken, the issuer only needs to update its lists periodically.

Section 5
Preparing the RFP

This section presents a proposed format and approach for preparing an RFP for services of a financial advisor and senior managing underwriter. Many governments have general procurement policies and procedures that dictate the form and content of the RFP. It should be possible to modify the format proposed below to conform with procurement policies and practices and any legal requirements.

General guidelines

The RFP will normally be divided into several sections, including an introductory section that provides information about the issuer and its financing plans and needs, a section describing the scope of services required by the issuer, a section describing the qualifications desired and questions to assist the issuer in selecting a firm, a section explaining how proposals will be evaluated, and a section describing the selection process. Exhibit 3 provides a general outline for preparing an RFP for financial advisors and underwriters.

The RFP should contain information that assists proposers in responding effectively to the issuer's needs and should request information from proposers that helps the issuer determine whether a firm is capable of meeting those needs. It is also important to develop an RFP that limits the firm's ability to rely on standard "boilerplate" responses. Including questions on specific problems or goals of the issuer is one way to accomplish this objective. Limiting the page length of responses can also provide an incentive

Exhibit 3

GENERAL FORM OF REQUEST FOR PROPOSAL

I. **Name of Issuer and Purpose of Request**
- Name and (if applicable) brief description of issuer
- Type of service being requested (financial advisor, senior managing underwriter)

II. **Description of Issuer and Summary of Relevant Information**
- Pertaining to Financing Plans
- Overview of organization, purpose, administrative functions, etc.
- Legal authority to issue debt
- Capital plans/projects to be finananced
- Planned issuances/refundings
- Outstanding debt, maturity schedules, interest rates, debt service payments
- Ratings

III. **Scope of Services**
- Specific services desired (see Exhibits 1 and 2)
- Duration of contract and options for renewal

IV. **Selection Criteria**
- Criteria used to evaluate proposals (See Exhibit 4)
- Weighting of each criterion

V. **Timetable to Award Contract**
- Date for pre-bid conference (if any)
- Deadline for proposal submissions
- Schedule for proposal review
- Date(s) for oral interviews (if any)
- Date for final decision/legislative action, if needed and award of contract

VI. **Instructions for Submitting Proposals**
- Date and time due
- Office/individual to whom to address proposals
- Issuer contact to whom questions may be addressed and any limitations
- Special instructions (if any)

VII. **Miscellaneous**
- Terms and conditions
- Documents to conform with state/local procurement law or policy

to proposers to include only the most important information in their submission. Some issuers specifically state in the RFP that boilerplate responses are not desired.

The RFP often includes instructions on how proposers are to organize their responses. It is common to ask each proposer to summarize in a cover letter the key points of their proposal. The letter should be succinct—no more than two or three pages. The remainder of the proposal presents the firm's qualifications and other required information to be used by the issuer in the evaluation process.

Creating opportunities for disadvantaged business enterprises

An important policy goal for many governments is to create opportunities for meaningful participation in the bond issuance process for minority-owned or woman-owned enterprises (M/WBEs), or other targeted business enterprises, sometimes collectively referred to as disadvantaged business enterprises (DBEs). The RFP can be used to communicate the issuer's goals for inclusion of these firms and participation in the transaction.

There are many options for the issuer to engage DBE firms in a transaction. One approach is to use two or more firms to serve in a financial advisory capacity on the transaction, with a designated role for a DBE firm. The RFP would describe how the issuer plans to select each firm, including specific tasks or a percentage of the work that would be allocated to each firm. Alternatively, the issuer can encourage proposers to form their own teams with DBE participation based on issuer goals. Each team would be asked to submit a joint proposal. The RFP can also be used to identify targeted business enterprise candidates for other slots on the financing team. In an RFP for senior managing underwriter, for example, some governments will ask for recommendations on DBE firms to fill co-manager or underwriter's counsel positions.

In developing policies for including disadvantaged business enterprises, the issuer must be sure that the firms chosen add value to the transaction. If the issuer decides to meet DBE goals by hiring more than one firm in the same capacity, roles and responsibilities of each firm need to be carefully assigned and coordinated. Tasks should be structured in a manner that minimizes duplication of work, such as by allocating discrete tasks to each firm serving as a co-financial advisor. Although it is recommended that governments not pay financial advisors on a per-bond basis, those that choose to provide compensation in this manner should be sure that the per-bond amount to co-financial advisors is based on the level of work performed and that the combined per-bond cost for financial advisory work does not exceed the amount that would be paid if only one firm were doing the work. If a targeted firm is included in the underwriting syndicate, the issuer should be sure that the firm is given a fair share of bonds to sell, including bonds in desirable maturities, and contributes to the sales effort. The more active the issuer is in exercising oversight, the less likely it will incur higher costs resulting from overlapping functions and the more likely the government will achieve the goals of its DBE program.

Developing selection criteria

One of the keys to preparing a good RFP is devising evaluation criteria that permit the issuer to compare the experience and qualifications of each proposer on an equal basis. Criteria should be specific and useful to the issuer in making a decision. This helps firms proposing their services to focus their attention on only the most relevant information. A summary of key areas that proposers should be required to address is found in Exhibit 4. These include the qualifications of the firm and key personnel, the proposer's understanding of the government's financing needs, legal issues and conflicts of interest, and proposed fees.

Many issuers devise weights for each of the evaluation criteria in a manner reflecting their importance to the overall selection process. This helps proposers decide where to focus their attention when preparing responses. However, the issuer gives up some flexibility in defining the weighting in advance, which could become problematic if a proposal identifies a particularly good idea in an area that is not weighted as highly. To preserve flexibility, the issuer can either not specify weights, specify a weighting range, or include a provision stating that the issuer reserves the right to reconsider the weighting if it is in the best interests of the jurisdic-

Exhibit 4
STRUCTURE OF PROPOSAL

I. Introductory Section
Letter of introduction signed by an authorized representative of the firm (2–3 pages maximum) that identifies position sought and provides executive summary highlighting major points of the proposal

II. Qualifications of Firm and Key Personnel

A. Description of firm, including:
   1. Size (national and regional/local)
   2. Experience with transactions in the same state/region, and of similar issue type and size
   3. Organizational structure of public finance function, and how the structure can benefit the issuer
   4. Affirmative action goals (if applicable)
   5. Level and types of insurance carried, including the deductible amount, to cover errors and omissions, improper judgments, or negligence
   6. For broker/dealers, the amount of net capital and excess net capital and the ability and willingness of the firm to purchase the entire offering of the issuer, if necessary
   7. Affirmative action

B. Description of key personnel, including:
   1. Name, address, and phone number of the individual with day-to-day responsibilities for the transaction
   2. Qualifications (e.g., education, position, years of experience, etc.) of individuals with primary responsibility for transaction, and percentage of time allocated to issuer's account
   3. Experience of primary contact in the structuring and sale of similar bond offerings
   4. References for key personnel (minimum of 3 suggested)

C. Analytic capabilities
   1. Services, software, or informational databases that will be made available to the issuer
   2. Sources of information to assist in bond pricing, such as access to trading desks or informational databases
   3. On-going employee training programs

III. Proposer's Understanding of Jurisdiction's Financing Needs

A. General financing approach

B. Bond-related questions

Exhibit 4 (cont.)

1. Market for the bonds
2. Strategies for bond issuance (timing, amounts, structures, use of insurance, etc.)
3. Credit strengths and weaknesses to be addressed in order to maintain/improve rating
4. Recommendation for co-managers (number and strengths)

C. Other questions on specific financing problems or concerns (e.g., related to financing plan, security provisions or other structural considerations, marketing plan)

IV. Legal Issues/Conflicts of Interest

A. Violations of federal, state or local regulations/laws within past three years

B. Pending or current litigation

C. Arrangements with other firms that could pose a conflict of interest

V. Cost of Services

A. For financial advisors, a proposed fixed fee or hourly rate (by key personnel and allocation of time)

B. For underwriters, a proposal for the takedown based on current market conditions, and a specified structure and credit quality

tion. An issuer needs to carefully justify its selection when using this approach to preserve the perceived fairness of the process.

Obtaining information about the firm and key personnel

Among the most important of the selection criteria will be the qualifications of the firm providing the services and the personnel who will work directly with the issuer. Several questions should be included to determine whether the firm and staff assigned to work with the issuer have the necessary qualifications to accomplish important issuer objectives. Questions regarding the firm's qualifications may include the size of the firm and its municipal finance department (both nationally and regionally); the total volume of tax-exempt bonds for which the firm has served as financial advisor or underwriter over a specific time period (e.g., the past three years), and for the underwriter, the role played in the transaction (senior or co-manager); the number and dollar amount of transactions of a similar nature (e.g., water/sewer bonds, transportation, general obligation bonds of a particular issue size) over a designated time period; the number and dollar amount of in-state transactions; the analytical capabilities of the firm; and the type and amount of insurance coverage carried by the firm for omissions, negligence, errors.

In the case of underwriting firms, it is important to understand the market strengths of the firm and how these strengths relate to the plan for marketing the issuer's bonds. Large investment banking firms with a national presence are likely to have strengths in selling bonds to institutional buyers that possess or control considerable assets, such as financial institutions, bond funds, or insurance companies. Some firms specialize in retail sales to individual investors or small institutions. Many of the larger investment banks fall into this category, as do smaller broker/dealer firms with a regional or local presence. Institutional and retail buyers have particular appetites for amounts and maturities, and the deal's structure and marketing approach must be designed to attract a particular type of buyer.

Another important question for underwriting firms relates to its net capital and excess net capital position, which provides a measure of the firm's financial stability. Broker/dealers must comply with Securities and Exchange Commission (SEC) rules regarding net capital requirements. Many issuers include a question about the firm's willingness to commit to purchasing their entire offering if necessary, and the firm's excess net capital provides an indication of its ability to make this commitment. Such a commitment by an underwriting firm can be important if market conditions change suddenly during the sale period and the issuer cannot postpone the sale until a later date.

Questions in the RFP also should address the qualifications of individuals who will be assigned to work with the issuer. It is especially important to know who is the person with day-to-day responsibility for the account, his or her educational background, years of experience in municipal finance, experience in specific areas identified in the scope of services, and the percentage of time that individual will spend on the account. At least three references for this individual should be provided. Additionally, proposals should identify the analysts assigned to the issuer's account, their experience, and the allocation of their time, and should list other key individuals and their qualifications, such as those responsible for sales and syndication activities.

Evaluating a proposer's understanding of the issuer's needs

It is often difficult to distinguish one firm from another based on qualifications and experience alone. Therefore, the RFP will normally include a set of questions designed to focus on specific financing needs and concerns of the issuer. These types of questions can help the issuer to more clearly determine which firms have taken the time to understand its financing needs and how capable they are of developing a proposed financing plan, structure, or marketing approach based on the particular circumstances of the issuer.

When preparing questions for this section of the RFP, governments should give careful consideration to financing issues on which the financial advisor or underwriter will be expected to provide advice. For example, an RFP for general financial advisory services could include a question on a recommended approach for funding capital needs, including alternatives to be considered and strengths and weaknesses of these options in terms of the jurisdiction's financial outlook, credit quality and other relevant concerns.

If the RFP is for services related to a bond sale, proposers should be asked to comment on their perception of the market for the offering, the marketing approach that would be used to solicit investor interest, strategies for obtaining a credit rating, and ideas for structuring the offering to meet issuer goals and financing constraints. RFPs for bond refundings often ask proposers to identify bond series and maturities that would be included in the refunding and the expected present value savings based on a set of market condition assumptions. Additionally, issuers may want to prepare one or two questions on a specific financing problem they face in order to assess the firm's knowledge of possible financing options and its creativity in proposing a solution.

One criterion that larger issuers who sell bonds using both competitive and negotiated sales may want to consider when selecting senior underwriters for a negotiated sale is evidence of a firm's support for their competitive bond sales. This approach rewards firms who bid on a government's competitive sales, thereby helping to increase interest among underwriting firms for bonds sold in this manner.

Uncovering legal violations and conflicts of interest

It is important for issuers to have full confidence in the finance team they have chosen. For this reason, it is essential to explicitly ask about any legal or regulatory violations, pending or actual investigations by the SEC or other regulatory agencies, or other legal action (such as litigation) in which the firm is involved for a specified time period, such as within the past three years.

Moreover, since an important goal of the issuer is to be sure it is receiving objective advice that will lead to the best overall financing approach, proposers should be required to identify any arrangements with other firms, such as finder's fees or fee splitting arrangements that could encourage the firm to recommend an approach that may not be in the issuer's best interests. The GFOA recommends that issuers also consider including a provision in the RFP restricting any firm from engaging in activities on behalf of the issuer that produce a direct or indirect financial gain for the firm, other than the agreed-upon compensation, without the issuer's informed consent.

Obtaining cost information

The RFP will typically include a section addressing the cost of providing services. While cost is an important factor, it is more important to ensure that the issuer is obtaining high-quality services. Selecting a financial advisor or underwriter that charges the lowest up-front fees can be shortsighted if the firm is unable to develop a structure or marketing approach that is attractive to investors.

Ultimately, the interest cost over the life of the bonds will be more significant to the issuer's overall costs of financing than the fees paid up front.

Some issuers address this issue by dividing the RFP into two sections: one section is the "technical proposal" that requires the issuer to present its qualifications and the second section is the "price proposal" identifying fees. Technical qualifications are reviewed prior to opening the price proposal. Firms that are judged not to be qualified on technical merits are eliminated before costs are considered.

Cost comparisons are easier to make if proposers are required to submit price information in a standard format. Issuers should make clear in the RFP how they expect fee proposals to be presented and what services are covered by the fee proposal. Fees presented on an hourly basis should be presented for each individual assigned to the account. If fees are to be presented on a fixed fee or per bond basis, proposers should be asked what percentage of each individual's time is assumed.

Compensation to financial advisors. Financial advisory firms are normally compensated in one of two ways: either on a retainer (using a fixed fee or hourly rate), or based on the amount of bonds sold. It is important that the method of compensation fairly reflect the amount and complexity of work being undertaken. This is often more difficult when paying on a per bond basis. Further, providing compensation on a per-bond basis creates an incentive on the part of the financial advisor to recommend the sale of bonds. For these reasons, the GFOA recommends that financial advisory firms not be paid on a per bond basis. Some issuers also require fees to be presented on a "not-to-exceed" basis for a defined scope of services, and ask for quotes on hourly rates of key personnel if additional services are desired.

Compensation to the underwriter. Compensation to the underwriter is known as "underwriters' discount" or "gross spread." This amount is often presented on a per-bond basis (e.g., $10 per bond would translate into an underwriters' discount of $100,000 for a $10 million bond sale). The underwriters' discount consists of four components.

- *Takedown* rewards the sales effort of the firm for placing bonds with final investors.
- *Management fee* compensates the underwriter for providing

Exhibit 5

CALCULATION OF TAKEDOWN BY MATURITY

Maturity	Par Amount of Bonds (000s $)	Takedown Per Thousand of Bonds[1]	Total Takedown ($)
Year 1	935	+3/8	3,506.25
Year 2	965	+3/8	3,618.75
Year 3	1,010	+1/2	5,050.00
Year 4	1,055	+1/2	5,275.00
Year 5	1,105	+1/2	5,525.00
Year 6	1,160	+1/2	5,800.00
Year 7	1,220	+1/2	6,100.00
Year 8	1,285	+1/2	6,425.00
Year 9	1,355	+1/2	6,775.00
Year 10	1,430	+1/2	7,150.00
Year 11	1,510	+5/8	9,437.50
Year 12	1,595	+5/8	9,968.75
Year 13	1,690	+5/8	10,562.50
Year 14	1,790	+5/8	11,187.50
Year 15	1,895	+5/8	11,843.75
	$20,000		$108,225.00

[1] This column shows the takedown associated with selling bonds of each maturity. For example, the sales commissions for the bonds maturing in Year 1 is 3/8ths of one percent, or $3.75 for every $1,000 in par amount of bonds sold. Similarly, a takedown of 1/2 represents a sales commission of $5.00; and a takedown of 5/8ths represents a sales commissions of $6.25. As is normally the case, in this example the takedown is higher for longer maturities. The average takedown per bond is $108,225/$20,000 = $5.41 per bond.

Source: Adapted from example in "Pricing Bonds in a Negotiated Sale: How to Manage the Process," by J.B. Kurish, GFOA, 1994, p. 16.

advice to the issuer in bringing the bonds to market, including structuring the offering, assisting with the rating presentation, premarketing the bonds to investors, and other related activities.

- The *expense component* provides reimbursement to the underwriter for expenses incurred on behalf of the issuer such as travel, printing and mailing, and closing costs. Fees to underwriters' counsel frequently are included in this component.
- *Underwriters' risk* compensates the underwriting syndicate for risks they incur in agreeing to purchase the issuer's bonds if all bonds have not been sold at the time the bonds are awarded for purchase.

The takedown represents the largest component of the underwriters' discount and is the most difficult component to determine through the RFP process, since it is tied to market conditions and the sales effort of the underwriter. The takedown is calculated on a maturity-by-maturity basis; generally, the takedown increases with the length of the maturity of the bonds. The takedown is often expressed in fractions representing percentage points charged per thousand dollars of bonds. Exhibit 5 is an example of how the takedown would be presented, and how it is calculated.

While the actual takedown for an issue cannot be fully determined until the pricing, it is common to ask firms to include a representative takedown figure in their proposals. The issuer will specify a set of assumptions to be used (e.g., regarding market conditions, structure of the issue) and ask for a quote of the takedown for each maturity and/or the average takedown (calculated as a weighted average of takedowns for individual maturities). This information can be useful to the issuer as a reference point during the actual pricing process.

The other components of the underwriters' discount tend to be easier to pin down through the RFP process, but represent a smaller share of the total compensation. Issuers should expect the underwriter to provide an estimate of the management fee in its proposal, and, unless there are extenuating circumstances that justify a higher amount (e.g., a more complex structure or marketing approach is needed), should expect that the proposed amount is firm. In some cases, the underwriter may offer to reduce the management fee in exchange for the right to invest bond proceeds. Issuers should use extreme caution in accepting such proposals, and be particularly vigilant to ensure that investment instruments are purchased at fair market value.[4]

An issuer should have a clear understanding of what expenses are expected to be incurred by the underwriter on its behalf. The GFOA recommends that firms proposing to serve as senior managing underwriter present in their proposal an itemized list of expenses for the transaction, and whether these expenses are expected to be reimbursed by the issuer.[5] The RFP can be used to describe what expenses the issuer recognizes as legitimate and reimbursable. Such costs might include:

- compensation to underwriters' counsel,
- travel,
- Dalcomp/Dalnet fees for transmitting information on interest rates, takedowns and priority of orders,
- interest/day loan costs,
- charges for communication (e.g., rating agency presentation materials, mailing, printing, telephone expenses),
- documented clearing charges and
- closing costs.

The RFP should clearly describe any fees expected to be capped, such as compensation to underwriters' counsel.

The final component is underwriters' risk. In a negotiated sale, the risk to the underwriter should theoretically be very small: the underwriter will generally not agree to purchase the bonds until it knows it has arrived at a price that is acceptable to the market. Thus, it is common for issuers to pay nothing for underwriters' risk. Some amount may be justified if some bonds are left at the time the underwriter agrees to purchase the offering and the issuer is satisfied that the bonds have been priced aggressively.

Other items to include

The final section of the RFP should describe the selection process. Among the items to include are the time frame for completion of the evaluation, including key milestones; the date for proposed oral

[4] See the GFOA Recommended Practice entitled, "Investment of Bond Proceeds" (1996).

[5] See the GFOA Recommended Practice entitled, "Payment of the Expense Component of Underwriters' Discount" (1996).

interviews and requirements for who should attend; and procedures for notification of contract award. The RFP should also present information on contacting the issuer, including identifying the individual to whom questions or concerns may be addressed and laying out rules for proposer contact with the issuer such as the period of time in which contact is permitted and restrictions on contact with elected or other key officials. Any other information relevant to the selection process may be included.

In addition to the general framework for the RFP described in Exhibit 3, issuers should include any items needed to conform with state and local laws. Documents needed to show compliance with procurement laws or goals should also be included, as appropriate. It is recommended that an attorney review the RFP to ensure that the document conforms to laws governing the procurement process and that no part of the RFP or the process described for making the selection will result in legal challenges.

Section 6 Evaluating the RFP and Selecting a Firm

The evaluation process starts with identification of who is involved and the activities that need to occur. Typically, the finance director or designated finance staff will play a lead role in evaluating proposals. Others that may be involved include the jurisdiction's attorney, chief executive officer and purchasing officer. The individual or department responsible for developing the capital improvement plan may also be represented. If a financial advisor has already been engaged, it may also assist in the selection process as deemed necessary by the issuer.

Elected officials should be discouraged from being a part of the evaluation process. They should only be involved at a point when the governing body is presented with a recommendation on the award of a contract. This helps to keep the selection process as objective as possible and reduces actual or perceived conflicts of interest.

Members of the evaluation team should be asked to rank proposals on each of the evaluation criteria using the weighting scheme developed for the selection process. A written record should be kept of each member's ranking on each criteria. To facilitate the ranking process, a matrix may be developed with each criterion listed on one axis and each firm on the other axis. The matrix is used by reviewers to award points to each firm for each of the criteria and to arrive at an overall score.

An important component of the selection process are oral interviews. The issuer is engaging in an extended relationship with firms selected to serve as either financial advisor or underwriter, and it is important to ensure that the individuals working on a day-to-day basis with the issuer are knowledgeable and that a good working relationship among all team members is possible. Oral interviews can also be used to follow up on particular aspects of a proposal that weren't clear or need further elaboration. Issuers may choose to schedule oral interviews with all firms that have submitted proposals or only with firms scoring above a predetermined threshold on the written proposal.

When scheduling oral interviews, issuers should make clear that they expect the individuals in charge of the day-to-day management of the account to be present and to take a lead role in presenting materials and answering questions. Each member of the issuer's selection team should attend the interview and document their impressions of each firm. In order to facilitate comparisons among firms, a set of questions that will be asked of each firm in the oral interview process should be developed.

Once the interviews are complete, the next step is to decide on one or two firms that demonstrate the best understanding and ability to meet the government's needs. Reference checks of the individual charged with day-to-day management of the account should be undertaken. It is recommended that one individual be charged with checking all references. This helps to promote consistency in asking questions and interpreting replies. A standard set of questions should be asked of each individual serving as a reference in order to facilitate comparison of responses. The results of the reference checks should be included with other documents used in the selection process.

The final step is for the evaluation team to make a recommendation, and present the recommendation to the governing body as required by law or policy. An ordinance or resolution may need to be prepared authorizing selection of a firm to serve as financial advisor or underwriter.

Before the selection process is completed, however, the issuer needs to be sure that a written record documenting the selection process is placed in the central files of the government. This is important should any challenge to the selection be made or if the media or others request information regarding the selection process.

Conclusion

The financing team selected by the issuer will play a critical role in determining how successful an issuer will be in meeting important financial and policy goals. Ultimately, the issuer needs to feel confident that the individuals working on its behalf will obtain the lowest possible financing costs given market conditions and complete the transaction in a timely manner so that projects may proceed as planned. It is essential that the finance team have the necessary experience and skills to ensure that these goals are achieved. A sound RFP process can help a government select the best professionals for its financing needs. Issuers should give careful consideration to the process established for preparing and evaluating the RFP. The GFOA has developed a recommended practice summarizing key points that should be kept in mind in designing an RFP, found in Exhibit 6.

Exhibit 6

GFOA RECOMMENDED PRACTICE

Preparing RFPs to Select Financial Advisors and Underwriters (1997)

Background. Governmental issuers frequently employ underwriters for a negotiated sale and financial advisors for either a competitive or negotiated sale to assist in the structuring and issuance of debt. A request for proposal (RFP) can help issuers to select the most qualified professionals.

Recommendation. The Government Finance Officers Association (GFOA) recommends the use of an RFP process when selecting underwriters and financial advisors because it promotes fairness and objectivity, allows the issuer to compare respondents, and helps the issuer to obtain the best price and level of service. Issuers should have a clear understanding of their needs (transaction-specific or on-going) and should develop an RFP that complies with state and local bidding requirements. Additionally, the RFP should:

- provide a clear and concise description of the scope of work, specify the length of the contract, and indicate whether joint proposals with other firms are acceptable;
- include objective selection criteria and explain how proposals will be evaluated;
- require all fee structures to be presented in a standard format and ask proposers to identify which fees are to be proposed on a "not-to-exceed" basis, describe any condition attached to their fee proposal, and explicitly state which costs are included in the fee proposal and which costs are to be reimbursed;
- require at least three references from other public-sector clients.

RFPs should include questions related to the areas listed below to distinguish firms' qualifications and experience, including

- relevant experience of the firm and the individuals assigned to the issuer, identification of the individual in charge of day-to-day management of the issuer's financing, and the percentage of time committed for each individual assigned to the account;
- the respondent's ideas on how the issuer should approach the financing, including the structure of the offering, credit rating strategy, and investor marketing strategy;
- the analytic capability of the firm and assigned individuals, and on-going employee training programs;
- the availability of sources of information to assist in bond pricing;

Exhibit 6 (cont.)

- the amount of uncommitted capital available and the ability and willingness of the firm to purchase the entire offering of the issuer, if necessary, in the case of underwriting firms;
- the level and types of insurance carried, including the deductible amount, to cover errors and omissions, improper judgments, or negligence; and
- any finder's fees, fee splitting, or other contractual arrangements of the firm that could present a real or perceived conflict of interest, as well as any pending investigation of the firm or enforcement or disciplinary actions taken within the past three years by the SEC or other regulatory bodies.

Fees paid to financial advisors should be on an hourly or retainer basis reflecting the nature of the services to the issuer. They should not be contingent on the sale of bonds to remove the potential incentive for the financial advisor to recommend the issuance of bonds. Issuers may want to include a provision in the RFP restricting any firm from engaging in activities on behalf of the issuer that produce a direct or indirect financial gain for the firm, other than the agreed-upon compensation, without the issuer's informed consent. Ongoing contracts should be reviewed periodically.
No firm should be given an unfair advantage. Procedures should be established for communicating with potential respondents, determining how and over what time period questions will be addressed, and determining when contacts with proposers will be restricted. Additionally, issuers should:

1. Take steps to maximize the number of respondents by using mailing lists and advertisements.
2. Give at least one week for firms to develop their responses to the RFP, and longer depending on the nature of the RFP.
3. Establish evaluation procedures and a systematic rating process, conduct interviews with proposers, and undertake reference checks. Where practical, one individual should check all references to promote consistency. To remove any appearance of a conflict of interest resulting from political contributions or other activities, elected officials should not be part of the selection team.
4. Document how the final selection was made and the rankings of each firm.

Section 7
Sample RFPs

Several RFPs for financial advisors and underwriters were chosen to be included on the enclosed diskette for your reference and use. Please note that the Government Finance Officers Association is not endorsing any of these RFPs as models, but has provided them for your reference. In some cases, sections of the RFPs have been reduced or removed if they were not germane to the discussion presented herein. The names of bond counsel, financial advisors, or other consultants referenced in the RFPs also have been removed.

Exhibits 7 and 8 are tables that summarize key elements of RFPs for financial advisors and underwriters, and where each of these elements can be found in the selected samples. Note that Part I.A means the section can be found within major heading "I," subheading "A." Also, I.A-C means that information is included in subheadings "A" through "C."

The document names for each RFP included on the diskette in WordPerfect format are as follows:

RFP for Underwriters

Jurisdiction	File Name
City of Kansas City, KS	kanscity.wpd
Lehigh County, PA	lehigh.wpd
City of Portland, OR	portland.wpd
Santa Clara Valley Water District	santclar.wpd
South Essex Sewerage District	soessex.wpd
Western Riverside County Regional Wastewater Authority	westriv.wpd

RFP for Financial Advisor

Cobb County, GA	cobbco.wpd
State of Florida	florida.wpd
City of La Quinta, CA	laquinta.wpd
City of Norfolk, VA	norfolk.wpd
City and County of San Francisco, CA	sanfran.wpd

It is important to remember that these RFPs were developed to meet the goals of particular jurisdictions. While these documents may serve as a starting point, it is the responsibility of each government to prepare its own RFP consistent with its goals and policies. Selection criteria and questions should be included that help the government select the best firms for its financing needs.

Exhibit 7
MAJOR COMPONENTS OF SAMPLE RFPS: UNDERWRITERS

Issuer Name: / Issue Type:	Kansas City / Utility Revenue	Lehigh County / General Obligation	Portland Oregon / Tax-Exempt/ Taxable Revenue
DESCRIPTION OF FINANCING NEEDS			
Issuer Name and Purpose of Request	Part I	Introduction	Introduction
Description of Issuer	Part I		Part II
Scope of Services	Part I	Introduction	Part III, IV
INFORMATION PROVIDED ON RFP PROCESS			
Proposal Form and Content	Part VI	Part I, III	Part V
Selection Criteria	Part VII	Part II	Part VII
Instructions for Submission	Part X		
Date and time due	Part II	Part I	Part VI
Where to send proposals	Part II	Part I	Part VI
Limitations on contact	Part IV		Part IX.1
Terms and Conditions	Part VIII, IX		Part IX
Selection Process	Part VII		Part VII
Schedule for review	Part VI.G		Part I
Oral interviews	Part VI.G	Part II	Part I
Final decision	Part VI.G		Part I
SELECTION CRITERIA			
Qualifications of Firm and Key Personnel			
Size/organizational structure	Part VI.F1, 2		
Experience with similar transactions	Part VI.B, F3, 4	Part III.3e-f, 4, 5	Part V.3
Level and types of insurance			
Net capital and excess net capital	Part VI.E	Part III.3a-d	
Qualifications of key personnel	Part VI.C	Part III.7	Part V.2
References for key personnel	Part VI.J		
Analytic capabilities			
Affirmative Action	Part VI.K		Part IX.3
Financing Approach			
General financing approach	Part VI.A		Part V.4A
Market for the bonds	Part VI.F5.6		Part V.4A, B, C
Strategies for issuance	Part VI.A, D	Part III.9-10	Part V.4A, D
Credit objectives		Part III.8	
Recommendation on co-managers		Part III.6	
Transaction-specific issues	Part VI.F4, G		Part V.5, V.7A, B
Legal Issues/Conflicts of Interest			
Violations of laws or regulations			
Pending or current litigation	Part VI.L		
Conflicts of interest	Part VI.M		Part V.7C
Cost of Service	Part VI.H, 1	Part III.11	Part V.6

Exhibit 7 (cont.)

Issuer Name: / Issue Type:	Santa Clara Valley Water / Refunding	South Essex Sewerage / Sewerage Revenue	Western Riverside Auth. / Variable Rate
DESCRIPTION OF FINANCING NEEDS			
Issuer Name and Purpose of Request	Part I	Part I	Cover
Description of Issuer	Part II	Part II	Cover
Scope of Services	Part I	Part III	Cover
INFORMATION PROVIDED ON RFP PROCESS			
Proposal Form and Content	Part VIII	Part IV, VII.B	Cover
Selection Criteria	Part VII	Part V, VI	Cover
Instructions for Submission			
Date and time due	Part V	Part VII.A	Cover
Where to send proposals	Part V	Part VII.A	Cover
Limitations on contact	Part IV	Part VII.C	
Terms and Conditions	Part V, IX	Part VIII	
Selection Process			
Schedule for review	Part III		
Oral interviews	Part III, VI	Part VII.A	
Final decision	Part III, VI	Part VII.A	Cover
SELECTION CRITERIA			
Qualifications of Firm and Key Personnel			
Size/organizational structure	Part VIII.3b	Part IV.A1, 3	Part A
Experience with similar transactions	Part VIII.3c-f	Part IV.B1-5, B8	
Level and types of insurance			
Net capital and excess net capital	Part VIII.3a	Part IV.A2	
Qualifications of key personnel	Part VIII.3g	Part IV.A4, A5	Part B
References for key personnel		Part IV.B6	Part A
Analytic capabilities			
Affirmative Action	Part VIII.5	Part IV.F	
Financing Approach			
General financing approach	Part VIII.4a	Part IV.E1	
Market for the bonds	Part VIII.4d	Part IV.E2	Part D
Strategies for issuance			
Credit objectives	Part VIII.4b	Part IV.E3	Part E, F
Recommendation on co-managers	Part VIII.4e		
Transaction-specific issues	Part VIII.4c, f		Part C
Legal Issues/Conflicts of Interest			
Violations of laws or regulations		Part IV.C1, C7	
Pending or current litigation		Part IV.C2	Part H.2
Conflicts of interest		Part IV.C4-6, D	
Cost of Service	Part VIII.4h	Part IV.G	Part G

Exhibit 8
MAJOR COMPONENTS OF SAMPLE RFPS: FINANCIAL ADVISORS

Issuer Name:	Cobb County Georgia	State of Florida	La Quinta California
DESCRIPTION OF FINANCING NEEDS			
Issuer Name and Purpose of Request	Part I, II	Part I	Part 1.0
Description of Issuer			Part 2.0
Scope of Services	Part VII	Part IV	Part 3.0
INFORMATION PROVIDED ON RFP PROCESS			
Proposal Form and Content	Part VI	Part VII	Part 4.1, 2
Selection Criteria	Part V	Part III, IX	Part 4.2
Instructions for Submission			
Date and time due	Part III	Part II.C	Part 5.3
Where to send proposals	Part III	Introduction	Part 5.3
Limitations on contact			
Terms and Conditions	Part VIII	Part II, X	Part 9.0
Selection Process	Part IV	Part IX	Part 7.0
Schedule for review	Part IV		Part 8.0
Oral interviews	Part IV	Part II.H	Part 8.3
Final decision	Part IV		Part 8.6
SELECTION CRITERIA			
Qualifications of Firm and Key Personnel			
Size/organizational structure	Part VI.B1	Part VII.A	Part 4.2.2
Experience with similar transactions	Part VI.B2-5	Part VII.C, D, E, I	Part 4.2.3
Level and types of insurance		Part VII.N	
Qualifications of key personnel	Part VI.C	Part VII.B	Part 4.2.4
References for key personnel			Part 4.2.3
Analytic capabilities			
Affirmative Action		Part VII.J	
Financing Approach			
General financing approach	Part VII.A, D	Part VII.F, I	Part 4.2.6-9
Market for the bonds	Part VII.C		
Strategies for issuance	Part VII.B	Part VII.G, H	
Credit objectives			
Transaction-specific issues			
Legal Issues/Conflicts of Interest			
Violations of laws or regulations		Part VII.L	
Pending or current litigation		Part VII.L	
Conflicts of interest	Addendum	Part VII.M	Part 4.2.5
Cost of Service	Part VI.E	Part VIII	Part 4.2.11

L.2.b

Exhibit 8 (cont.)

Issuer Name:	Norfolk Virginia	San Francisco California
DESCRIPTION OF FINANCING NEEDS		
Issuer Name and Purpose of Request	Part I.A	Part I
Description of Issuer	Part I.A	Part II
Scope of Services	Part II.A	Part III
INFORMATION PROVIDED ON RFP PROCESS		
Proposal Form and Content	Part III	Part IV
Selection Criteria	Part IV	Part VI
Instructions for Submission		
Date and time due	Part I,.H	Part VIII
Where to send proposals	Part I.H	Part VIII
Limitations on contact		
Terms and Conditions	Part I.J-Q	Part IV.7, V
Selection Process	Part I.I	Part VI
Schedule for review		
Oral interviews		Part VIII
Final decision		
SELECTION CRITERIA		
Qualifications of Firm and Key Personnel		
Size/organizational structure	Part III.3a	Part IV.2
Experience with similar transactions	Part III.3a, b, c	Part IV.2
Level and types of insurance		
Qualifications of key personnel	Part III.3d	Part IV.3
References for key personnel		Part IV.5
Analytic capabilities	Part III.4f	Part IV.2, 3
Affirmative Action		Part I, IV.7, V
Financing Approach		
General financing approach	Part III.4a, c, d, e	
Market for the bonds		
Strategies for issuance	Part III.4b	Part IV.4.1-4
Credit objectives	Part III.4d	
Transaction-specific issues		
Legal Issues/Conflicts of Interest		
Violations of laws or regulations		
Pending or current litigation		
Conflicts of interest		Part IV.4.5
Cost of Service	Part III.5	Part IV.6

Purchasing Division

300 West Third Street
Oxnard, CA 93030
(805) 385-7538
www.oxnard.org

CITY OF OXNARD CALIFORNIA

April 26, 2017

Ladies and Gentlemen:

The City of Oxnard invites proposals from qualified firms for Financial Advisory Services.

This request for proposal is made up of the following sections: Instructions to Proposers, General Terms and Conditions, Background, Scope of Services, Response Requirements, and two (2) attachments which include: City of Oxnard sample of a Consulting Services Agreement, and Insurance requirements. Proposers will be responsible to carefully examine the requirements contained herein.

Proposals will be received in the City of Oxnard Purchasing Office located at 300 W. Third St., Second Floor, Oxnard, CA 93030 by **5:00 p.m. on May 22, 2017**. A copy of the requirements, specifications and proposal documents may be obtained from the Purchasing Office or may be obtained at the City's website: http://www.oxnard.org. Any inquiries regarding this notice should be directed to Patricia Garcia, Buyer at 805-385-7538 or email patricia.garcia@oxnard.org.The envelope containing your proposal must be sealed and marked "**Financial Advisory Services**". Proposals will not be opened publicly.

If you have any questions, please call (805) 385-7538 or email patricia.garcia@oxnard.org.

Sincerely,

Patricia Garcia

Patricia Garcia
Buyer
City of Oxnard

CITY OF OXNARD
FINANCE DEPARTMENT

REQUEST FOR PROPOSALS (RFP)

FOR

FINANCIAL ADVISORY SERVICES

PROPOSALS MAY BE MAILED
OR DELIVERED IN PERSON
TO THE PURCHASING OFFICE AT
300 WEST THIRD ST., SECOND FLOOR,
OXNARD, CA 93030

PROPOSALS MUST BE RECEIVED BY 5:00 P.M.
ON THE DATE INDICATED BELOW:

<u>**MAY 22, 2016**</u>

CITY OF
OXNARD
CALIFORNIA

CITY OF OXNARD
REQUEST FOR PROPOSALS
FINANCIAL ADVISORY SERVICES

Proposed Timeline

DATE	ACTIVITY
April 26, 2017	Release of Request for Proposal (RFP)
May 11, 2017	Pre-proposal conference call for questions regarding RFQ at 2:00 p.m. Dial in #: 866-711-1781, enter passcode 7962394 followed by the # sign.
May 22, 2017	Submission of the Proposal is due to the City of Oxnard Purchasing Division by **5:00 p.m.**
May 23-26 , 2017	Review of Proposals
May 29-31, 2017	Interviews and Agreement Development
June 1, 2017	Contract Compliance Review Committee Approval
June 20, 2017	Award of Agreement by City Council

The above dates are tentative and are subject to change as necessary.

CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL ADVISORY SERVICES

PAGE

CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL ADVISORY SERVICES

INSTRUCTIONS TO PROPOSERS

RECEIPT AND OPENING OF PROPOSALS

The City of Oxnard invites proposals from qualified firms for Financial Advisory Services. Proposals will be received in the Purchasing Office until **5:00 p.m. on Monday, May 22, 2017.**

At the proposer's option, proposals may be submitted via email in .pdf format to patricia.garcia@oxnard.org **OR** an envelope containing one (1) executed original and four (4) signed copies of the Proposal that must be sealed and addressed to: City of Oxnard Purchasing Office, 300 West Third Street, Second Floor, Oxnard, California 93030, Attention: Patricia Garcia, Buyer. The envelope must show the proposer's name and address; and must clearly be labeled **"Financial Advisory Services"**.

Proposals will not be opened publicly. Any proposal received after the established closing date and time will not be accepted. Proposal results will be available after proposals have been reviewed.

Proposals may be withdrawn upon written request at any time prior to the established closing date and time. The proposer or the proposer's authorized agent must sign such request.

EXAMINATION OF REQUIREMENTS

Each proposer must carefully examine the requirements contained herein. Each proposer shall be thoroughly familiar with all requirements contained herein. The failure or omission to examine any form or document shall in no way relieve a proposer from any obligation in respect to this proposal as submitted. Any misinterpretation of the requirements is solely that of the proposer's.

PROPOSERS REQUIERMENTS

All proposers must meet the following requirements:

- Be registered as a "Municipal Advisor" with the Security Exchange Commission (Sec) per Section 975 of the Title IX of the Dodd-Frank Act.
- Be registered as a "Municipal Advisor" with the Municipal Securities Rulemaking Board (MSRB) as required per MSRB Rule A-12.
- Have a minimum of five (5) years of experience in providing the services requested herein to public agencies in a financial advisory capacity. If the firm has been in business for less than five years, the experience of its principals may be used to meet this requirement. In addition, proposer is required to submit five (5) references for which these services have been performed within the last three (3) years.

QUALIFICATIONS SUBMISSION REQUIREMENTS

The response to this Request for Proposals (RFP) must be concise, well-organized, and demonstrate the firm's understanding of the scope of work. The response shall include the following information: Responses not submitted in this form will be considered non-responsive.

- **Cover letter**. The cover letter should be no longer than two pages and signed by an officer of the firm indicating that the proposal is valid for 90 days and that the officer is legally authorized to contractually bind the firm. The cover letter should also summarize the key points of the firm's proposal.

- **Company Information**. The proposal should state the size of the firm and the location of the office from which the work on this engagement is to be performed.

- **Key personnel who will participate on the engagement**. The proposal should provide a brief description of the firm and its relevant experience as financial advisor to municipalities in California. The proposal should describe the qualifications and relevant experience for all personnel and other specialists who will be assigned to this engagement. The description should also include their role and responsibilities including identifying who will be the individual charged with the day-to-day responsibility for this engagement. Provide brief resumes for each emphasizing recent relevant municipal financing experience. (Resumes may be included as an appendix).

- **Firm approach to City objectives.** Briefly describe the firm's approach to this assignment as it relates to the Background (Section I.) and Scope of Services (Section II.).

- **Client References.** For the firm's office that will be assigned responsibility, list the most significant engagements performed in the last two (2) years that are similar to the engagement described in this request for proposal. Indicate the scope of work, date, and the name and telephone number of the principal client contact.

- **Compensation and Fees**. This must include any and all fees that will be required in connection with the scope of work to be provided. The proposal should specify the basis upon which the fees will be calculated and expenses for which reimbursement is expected, whether the City will be charged for travel time, the scope of services to be provided for the quoted fees and any other bond or tax counsel services that are not included in the fee proposal.

- **Firm proposal should not exceed 15 pages (including all items listed above).**

Additional materials, including detailed resumes and relevant brochures may be submitted as an attached, separately bound appendix to the proposal. Brochures and marketing materials not directly related to specific experience with the proposed scope of work shall not be submitted as part of this proposal.

If you are not willing to accept the requirements and conditions of this Request for Proposal, identify in your proposal all requirements and conditions you do not accept. Failure to identify any such requirements and conditions will be deemed acceptance of all requirements and conditions.

Your proposal must be signed and dated in ink by the owner, partner, or corporate officer of the company, or by an agent duly authorized to represent the contractor under this proposal. Include the name and position held within contractor's organization.

ADDENDA AND INTERPRETATION

No interpretation of the meaning of the specifications or other proposal documents will be made to any proposer orally except in connection with the planned conference call. Questions asked and answers given during that call will be summarized in writing and will be available on request from the Buyer two days after the call. Proposers are not to contact any individual other than the Buyer. Every other request for interpretation must be in writing and addressed to: Buyer, City of Oxnard, 300 W. Third St., Suite 202, Oxnard, CA 93030 and, to be given consideration, must be received at least seven (7) days prior to the date fixed for the closing of bids. Requests for interpretation may be faxed to the Buyer at 805-385-7495. Any and all such interpretations and any supplemental instructions will be in the form of written addenda which, if issued, will be faxed or e-mailed to all known prospective proposers (at the respective addresses furnished for such purposes), no later than seven (7) calendar days prior to the date fixed for the closing of proposals. Addenda required later than seven (7) calendar days prior to the proposal closing date may cause a postponement in the proposal closing date. Failure of any proposer to receive any such addendum or interpretation shall not relieve such proposer from any obligation under this proposal as submitted. All addenda so issued shall become part of the specifications and contract documents.

AWARD OF CONTRACT

The award of the contract will be made to a responsive and responsible proposer whose proposal best meets the needs of the City. The successful proposer will enter into a contract with the City incorporating all prescribed requirements and conditions of this request for proposal. If the successful proposer refuses or fails to execute the contract, the City may consider the next most qualified proposer. The City shall be the sole judge as to the successful proposer.

The City reserves the right to reject any or all responses to this Request for Proposal ("RFP") and to waive any informality or irregularity in this RFP or in responses, to negotiate with all qualified sources, or to cancel, in part or in its entirety, this RFP, in the best interest of the City. The City reserves the right to request more information for clarification or due to omission of information. Proposers may be asked to make an oral presentation as part of the evaluation process. This RFP does not commit the City to award a contract, or to procure or contract for services or goods.

Before award, proposers may be required to furnish evidence of capability, equipment, and financial resources to adequately perform the job.

The term of the AGREEMENT(s) will be for a period of three (3) years with the option to extend the AGREEMENT for two (2) additional one (1) year periods.

PUBLIC RECORDS

All Proposals submitted in response to this RFP become the property of the City and under the Public Records Act (Government Code section 6250 et. Seq.) are public records, and as such may be subject to public review. However, the Proposals shall not be disclosed until negotiations are complete and recommendation for selection and award is made to the City Council.

If a proposer claims a privilege against public disclosure for trade secret or other proprietary information, such information must be clearly identified in the proposal.

Note that under California law, price proposal to a public agency is not a trade secret.

Questions regarding this RFP shall be directed to:

City of Oxnard
Finance Department
Attn: Patricia Garcia
300 West Third Street, Second Floor
Oxnard, California 93030
Email questions: patricia.garcia@oxnard.org
Phone calls will be accepted at (805) 385-7538.

CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL ADVISORY SERVICES

GENERAL TERMS AND CONDITIONS

A. The City shall not be liable for any expenses incurred by any proposer prior to issuing the contract.

B. The selected Firm will be required to sign and be bound by a Professional Consultant Services Agreement (“Agreement”). Proposer must meet all insurance requirements (See Sample Exhibit INS-A).

CITY OF OXNARD
REQUEST FOR PROPOSAL
FINANCIAL ADVISORY SERVICES

BACKGROUND

The City of Oxnard (the City) has a population of about 207,000 and is the 21st largest city in California. Its $436 million in outstanding debt consists of Revenue Bonds, Lease Revenue Bonds, Certificates of Participation and capitalized leases. The City provides water, wastewater, recycled water, solid waste collection and recycling services. About 70% of its debt is associated with its utility operations.

The City is working through a substantial period of transformation primarily as a result of changes on the City Council that led to the hiring City Manager Greg Nyhoff in June 2014. An organization assessment and findings by a new independent auditor revealed serious problems with financial and human resource functions. Please refer to Management's Discussion and Analysis in the City's Comprehensive Annual Financial Reports for Fiscal years 2015 and 2016 for further information about the administrative and financial issues that affect the City. The City has a prioritized action plan to address its issues.

On November 22, 2016, the bond rating agency, Standard & Poor's (S&P), issued two reports on the City's current and potential credit outlook. The first report rated the City's Wastewater Fund unenhanced debt as "BBB - Negative Credit Watch" because of an initiative that rolled back rates "Measure M"). was approved by voters on November 8, 2016. Subsequently the Negative Credit Watch was replaced by a BBB negative outlook rating. The enhanced rating based on a Union Bank MUFG letter of credit was A+/A-1. Subsequently S&P removed the credit watch, leaving Wastewater Fund bonds at BBB pending the outcome of Measure M litigation.

The second report affected the General Fund. Because the General Fund might assist the Wastewater Fund by providing liquidity to make its annual debt service payment, S&P has placed the General Fund on a "Negative Credit Watch". Subsequently S&P replaced the Negative Credit Watch with a negative outlook.

In addition S&P reduced the Water Fund rating from A+ to A/Stable.

Union Bank/MUFG, provider of three Letters of Credit (LOC) has told the City that the Bank it will end its current relationship with the City. A series of agreements since 2015 have extended the term of the LOC to August 2017.

This change in the Union Bank/MUFG relationship could have negative financial consequences. If the City cannot put a replacement LOC in place the City would have to issue fixed rated debt to retire the variable rate debt, increasing costs. Loss of the LOC or a ratings downgrade could also cause the Royal Bank of Canada (RBC), the City's swap provider to terminate the swap triggering a termination fee.

In the future the City will have to make major infrastructure investments to replace and rehabilitate its wastewater treatment facilities, water treatment and distribution infrastructure and solid waste and recycling operations. It may also issue land secured debt to build infrastructure for an expected 25% increase in population.

SCOPE OF SERVICES

The City's financial advisor has traditionally advised the City in structuring the issuance and sale of bonds, notes, and other securities as well as providing assistance and analyses for various projects, including negotiating financing terms, drafting documents, and advising on legislation, regulations or other procedures. Because the City has experienced significant turnover in management positions and does not currently have a well-developed debt management and issuance program it seeks a responsive and proactive financial advisory firm that will act as an extension of staff when needed. The successful firm will work with the CFO to structure external contractual services to handle critical work related to ongoing disclosure, compliance and debt administration.

In addition, under this agreement he City's FA will be responsible for providing a broad platform of services that will result in improvements in its compliance with SEC and CDIAC disclosure laws and regulations, better long range financial planning and a robust investor relations program in addition to traditional FA responsibilities.

Financial Advisor tasks and responsibilities.

A. Advise and assist the City in the development, structure and timing of the issuance of bonds in accordance with applicable laws, customs, and practices governing such issuance.

B. Advise and assist the City in considering and structuring various modes of financing, including but not limited to refundings, taxable bonds, credit-enhancement, leased equipment financings, general obligation bonds, pension obligation bonds, redevelopment bonds, and lease revenue bonds/certificates of participation that maximize the resources available to produce a financially sound and cost-effective transaction.

C. Advise on the amount, timing, and nature of borrowings, as well as the credit structure, maturity schedule, call provisions and other matters which may assist the City in obtaining the lowest practical interest cost and the widest competition for purchase of its bonds, as needed.

D. Advise on the merits of competitive, negotiated or private placement of debt.

E. Analyze and make recommendations relating to various financing options so as to secure the lowest practical interest rate; enhance the marketability of the bonds; achieve the widest competition for bond purchase to include retail, institutional, and other investor classes; and achieve optimal leverage of City resources, while maintaining a prudent level of risk, through debt obligations. Identify the advantages and disadvantages of any recommendations.

F. Assist in the preparation of the preliminary and final official statements, notices of sale (competitive offerings), other appropriate information to prospective bond and note investors, and any materials required to facilitate the sale of the bonds.

G. Assist in the preparation and review of legal and financing documents in coordination with City Attorney, bond counsel, underwriter's counsel (if any), disclosure counsel, City Staff, and other relevant parties. These documents shall include regulations, rules, proposed legislation, and other documents relating to the City's financing programs.

H. Assist in preparing and presenting timely and adequate information on proposed financings and the City's finances and operations to the bond rating agencies and institutions providing credit enhancement.

I. Evaluate the terms and recommendation of acceptance, rejection or renegotiation with respect to sale bids or final pricing as applicable. This includes confirmation of competitive bids, and verification reports in the case of refundings.

J. Advise on such matters as bond registration, printing, and other matters related to the settlement and delivery of the bonds or notes, as required.

K. Assist with preparation of RFP/Q's and evaluation of proposals for the procurement of:
- Credit enhancements, including LOCs and bond insurance
- Investment banking services
- Financial printing
- Competitive offerings
- Paying Agent or Trustee
- Escrow Agent, if required
- Verification Agent, if required
- Any other agents or consultants as required by the City

L. In the case of competitive offerings, assume responsibility for the following:
- Preparation and advertisement of Notice of Sale
- Preparation of Bid Form
- Advice as to manner of bid procedures
- Management of competitive bidding procedures
- Analyze the bids and identify the most favorable bid

M. Attend (in person or by telephone, as required) meetings related to debt offerings and participation in the deliberations at such meetings, including:
- Preparation of Official Statement with the entire working group
- Due diligence
- Rating agency presentations
- Investors' presentation
- Acquiring Insurance
- Pricing
- Closing

N. Provide ongoing financial advisory services as necessary, including:
- Review financial issues with the rating agencies (and arrange and support calls and meetings) relating to specific debt issues and to periodic updates.
- Evaluate unsolicited financial proposals received by the City, including, but not limited to refundings and alternate forms of financing vehicles like risk management products.
- Provide advice on investor relations and assistance in preparation of related presentation materials.

O. Advise and assist the City in structuring short-term financing programs including tax revenue anticipation notes, lines of credit, letters of credit, commercial paper programs, or other financings, as required.

P. Assist the City in drafting and preparing Continuing Disclosure documents for the investor community.

Q. Assist the City when necessary in the negotiation and preparation of any agreements between the City and other jurisdictions participating in any financing program.

R. As necessary, resolve issues regarding the sale and issuance of bonds that are raised by prospective purchasers, rating agencies, or public officials.

S. As requested, prepare and maintain projected debt service, debt outstanding and other schedules related to City debt for use in the City budgeting processes and official statements.

T. Provide other technical assistance on debt financings, bond ratings and financing alternatives as requested by the City.

U. Prepare a comprehensive “Final Pricing Book” for the financing transaction.

Expanded Financial Advisor Responsibilities
SEC and CDIAC compliance

A. Provide advice and assistance to help the City implement the provisions of SB 1029 and CDIAC’s related transparency regulations.

B. Provide advice and assistance in development of a disclosure policy and related procedures. Participate in the disclosure process in compliance with the policy and procedures adopted by the City Council.

C. Brief City staff on SEC Rule 15c2-12 disclosure requirements and assure that disclosure policies and procedures conform to SEC requirements

D. Coordinate compliance work with the City Attorney’s office and attorneys providing Bond and Disclosure Counsel services.

Investor Relations Program

A. Provide advice and assistance in the planning, design and implementation of a robust investor relations program consistent with GFOA’s Best Practice – Maintaining an investor relations program.

B. Analyze the risks and barriers the City faces in issuing debt at reasonable cost to prioritize the investor relations effort.

C. Participate in investor relations related activity planning and execution, coordinated with attorneys when necessary.

Rate swaps and Letters of Credit

A. Rapidly assess technical issues presented by the variable rate debt, letters of credit and interest rate swaps, analyze and present options and analyze related risks.

B. Contact Union Bank/MUFG, RBC and potential replacement LOC providers to assure a professional, well controlled process for working through the issues facing the City while building confidence among capital market participants.

C. Help City staff initiate and complete critical steps to resolve issues.

D. Work with, City staff and counsel to provide briefings and presentations for the City Manager, City Attorney and City Council that are consistent and credible.

PROPOSAL REQUIREMENTS

A. General Requirements

Agency and Contact Person:	City of Oxnard Patricia Garcia, Buyer 300 West 3rd St., Suite 202 Oxnard, CA 93030
Telephone:	805-385-7538
E-MAIL address	patricia.garcia@oxnard.org

Bidders may only communicate with the Buyer. Any other contacts may result in disqualification of bidder's proposal. Any requests for clarification of the proposal requirements should be made by E-MAIL only.

a. Submission of Proposal. At the proposer's option, proposals may be submitted via email in .pdf format to patricia.garcia@oxnard.org OR one (1) original and four (4) copies of the Technical Proposal, which **MUST** be received by **May 22, 2017 at 5:00 p.m.** in the Purchasing office for a proposal to be considered. Proposals should be sent to the address as shown on page 1 of this report. No faxes submissions will be accepted.

Attachment No. 1

(Sample Consulting Services Agreement)

Agreement No. [Enter #]

(SAMPLE)

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT FOR CONSULTING SERVICES (**"Agreement"**) is made and entered into in the County of Ventura, State of California, this [Day] day of [Month], 20[Year], by and between the City of Oxnard, a municipal corporation (**"City"**), and [Name of Consultant] (**"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 [Insert position title] (**"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 [pursuant to the schedule provided in **Exhibit B** attached hereto and incorporated by this reference in full herein]. (***INCLUDE THE PREVIOUS CLAUSE WITHIN THE BRACKETS IF THE SERVICES ARE TO BE PERFORMED PURSUANT TO A SCHEDULE. OTHERWISE, DELETE THE CLAUSE, RENUMBER THE EXHIBIT C REFERENCE IN SECTION 14 TO EXHIBIT B, REMOVE EXHIBIT B COVERSHEET AND RENUMBER EXHIBIT C COVERSHEET TO EXHIBIT B. DELETE THESE INSTRUCTIONS PRIOR TO COMPLETION OF THE 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 [Enter name of Principle-in-Charge] 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 [Start Date], and expire on [End Date].

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 $[Amount] for the Services at rates provided in **Exhibit C** 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

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. Indemnity

a. 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. Consultant's obligation to indemnify applies unless it is adjudicated that any of the liabilities covered by this Section are the result of the sole active negligence or sole willful misconduct of the

Indemnified Party. If it is finally adjudicated that liability is caused by the comparative negligence or willful misconduct of the Indemnified Party, Consultant's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

b. The duty to defend is a separate and distinct obligation from 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. 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-A**, 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-A.** Evidence of insurance coverage shall be forwarded to the Risk Manager, addressed as specified in **Exhibit INS-A**.

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 18701(a)(2) 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

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.

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

City and Consultant agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original.

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 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

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

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 [Enter name of Consultant], [Enter Consultant's address], [Enter City], [Enter State and Zip], Attention: [Enter Principal-in-Charge].

b. Any notices to City may be delivered personally or by mail addressed to City of Oxnard, [Enter Department or Division Name], [Enter Address], Oxnard, California 93030, Attention: [Enter Project Manager].

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.

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

CITY OF OXNARD	CONSULTANT
______________________________	______________________________
Jim Throop, Purchasing Agent	[Consultant]
APPROVED AS TO FORM:	APPROVED AS TO INSURANCE:
______________________________	______________________________
Stephen M. Fischer, Interim City Attorney	Risk Manager
APPROVED AS TO CONTENT:	APPROVED AS TO AMOUNT:
______________________________	______________________________
[Enter Name here], Project Manager	Greg Nyhoff, City Manager

EXHIBIT A

SCOPE OF SERVICES

EXHIBIT B

SCHEDULE OF SERVICES

EXHIBIT C

COMPENSATION RATES

Attachment No. 2
(Insurance Requirements)

Exhibit INS-A

INSURANCE REQUIREMENTS FOR CONSULTANTS
(WITH ERRORS AND OMISSIONS REQUIREMENT)

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

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

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

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

d. Workers' compensation insurance in compliance with the laws of the State of California, and employer's liability insurance in an amount not less than $1,000,000 per claimant.

2. Consultant shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-A. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before commencement of services. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be forwarded to the Risk Manager, addressed as follows:

City of Oxnard
Risk Manager
Reference No. ______
300 West Third Street, Suite 302
Oxnard, California 93030

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

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

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

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

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

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INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

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

Endorsement Forms

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

INS-A.doc

ACORD CERTIFICATE OF INSURANCE		ISSUE DATE (MM/DD/YY)			
PRODUCER		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.			
CODE SUB-CODE		**COMPANIES AFFORDING INSURANCE COVERAGE**			
INSURED		COMPANY LETTER A SPECIFY COMPANY NAMES IN THIS SPACE			
		COMPANY LETTER B			

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	**GENERAL LIABILITY** [x] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE $1,000,000 PRODUCTS COMP/OP AGG . $1,000,000 PERSONAL & ADV. INJURY $1,000,000 EACH OCCURRENCE $1,000,000 FIRE DAMAGE (Any one fire) $ MED. EXPENSE (Any one person) $
A	**AUTOMOBILE LIABILITY** [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT $1,000,000 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				Minimum coverage $1,000,000 Each consultant/ & listed sub-consultant $500,000

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

CERTIFICATE HOLDER City of Oxnard Attn: Risk Manager Reference No. __________ 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

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SUBMIT IN DUPLICATE

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

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

PRODUCER

Telephone:

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

NAMED INSURED

❒ Deductible ❒ Self-Insured Retention (check which) of $ ____________________ with an Aggregate of $________ applies to ________________________________ coverage. ❒ Per Occurrence ❒ Per Claim (which)

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

CITY AGREEMENTS/PERMITS

TYPE OF INSURANCE

GENERAL LIABILITY
❒ COMMERCIAL GENERAL LIABILITY ❒ Claims Made
❒ COMPREHENSIVE GENERAL LIABILITY Retroactive Date _________________
❒ OWNERS & CONTRACTORS PROTECTIVE ❒ Occurrence

OTHER PROVISIONS

COVERAGES	LIABILITY LIMITS IN THOUSANDS $	
	EACH OCCURRENCE	AGGREGATE
❒ GENERAL		
❒ PRODUCTS/COMPLETED OPERATIONS		
❒ PERSONAL & ADVERTISING INJURY		
❒ FIRE 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, 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
   b. 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

CITY OF OXNARD
Attn: Risk Manager
Reference No._______
300 W. Third 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: ____________________

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SUBMIT IN DUPLICATE

AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")	ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)

PRODUCER Telephone:	POLICY INFORMATION: Insurance Company: Policy No.: Policy Period: (from) (to) LOSS ADJUSTMENT EXPENSE ❒ Included in Limits ❒ In Addition to Limits
NAMED INSURED	❒ Deductible ❒ Self-Insured Retention (check which) of $ ____________________ with an Aggregate of $____ applies to coverage. ❒ Per Occurrence ❒ Per Claim (which)
	APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ❒ in which case only the following specific agreements and permits with the City are covered: CITY AGREEMENTS/PERMITS

TYPE OF INSURANCE ❒ COMMERCIAL AUTO POLICY ❒ BUSINESS AUTO POLICY ❒ OTHER	**OTHER PROVISIONS**
LIMIT OF LIABILITY **$ ________________ per accident, for bodily injury and property damage.**	**CLAIMS:** Underwriter's representative for claims pursuant to this insurance. Name: ____ Address: ____ Telephone:( )________

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

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

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

ENDORSEMENT HOLDER

CITY OF OXNARD **Attn: Risk Manager** **Reference No. _______** **300 W. Third 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 _____________________

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NHA | ADVISORS
Strategy. Innovation. Solutions.

4040 Civic Center Drive, Suite 200
San Rafael, CA 94903

Office: 415.785.2025
www.NHAadvisors.com

May 22, 2017

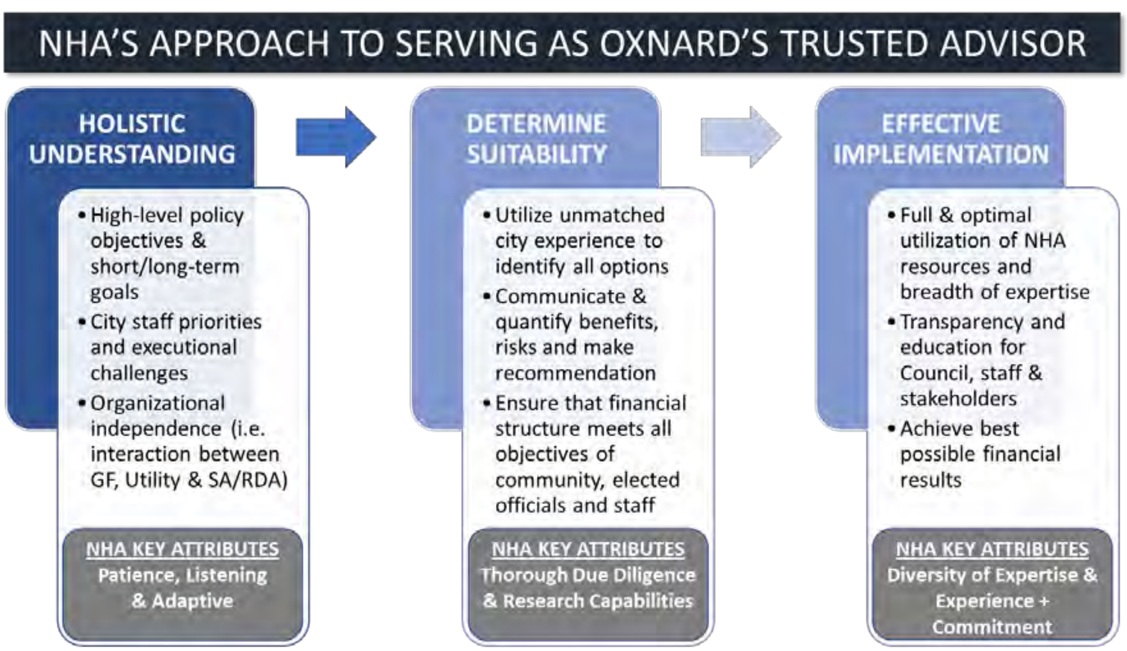
Purchasing Office
City of Oxnard
300 West Third St., Second Floor
Oxnard, California 93030

RE: City of Oxnard - Request for Proposals (RFP) for Financial Advisory Services

Dear Ms. Garcia:

Thank you for the opportunity to present NHA Advisors, LLC's ("NHA") response to the Request for Proposals ("RFP") for the City of Oxnard (the "City"). Based on the information provided in the RFP, our independent research, and review of City Council agendas, minutes, presentations, and videos; we believe NHA's approach, expertise, and extensive experience helping a diverse mix of public agencies develop solutions to similar challenges and financing structures will prove invaluable to the City.

The City has a broad and fairly complex debt structure in its general fund, utility enterprise funds, and successor agency. With the City's commitment to delivering a full suite of public services, a sound capital and financial plan is imperative and requires a focused, wide-view advisor who can complement City staff and take the project management or leadership role of a financing team when necessary. NHA believes the ability to evaluate technical details and have a high-level understanding a public agency's goals and objectives is essential to being an effective financial advisor. NHA takes a holistic approach to the unique nature of each public agency and focuses on three distinct objectives as part of any successful engagement as summarized below.



NHA does not start with the assumption that every project requires some form of bond financing. Accessing the capital markets can be complex and carry significant transaction costs. NHA puts extensive effort and time into understanding the overall capital need, evaluating the City's collective resources, and often develops funding strategies that allow for the use of inter-fund loans to meet project cash flow until a more comprehensive financing or repayment structure can be developed. **NHA does not believe that the "bond financing" is the objective each time a project is identified.**

As detailed in our proposal, NHA believes there is a path to working through the City's existing financial structure, pending letter of credit termination, and outstanding obligations. While the court's stay on the wastewater rate referendum buys the City time, there is a critical need to develop a sound financial solution that provides long-term financial stability. NHA will approach the City's projects with patience and deliberation, with a goal of providing holistic solutions to ensure the selected plan does not adversely impact other City operations or the General Fund. Our approach to how we will work with the City are best described through the examples we provide in the Firm Approach to City Objectives section of this proposal. NHA has a long history of developing and implementing successful restructuring plans in similar complex situations, including restructuring projects for the Cities of Davis and Palmdale related to rate increase challenges and restructuring City of Corcoran water bonds that were not meeting minimum coverage covenants (including a required swap termination due to the letter of credit expiration). In addition, NHA recently negotiated a credit enhancement for an unrated utility bond for the City of Corning, implementing a creative rate stabilization fund test that avoided the need for an immediate rate increase.

We encourage the City to reach out to our references for cities NHA has worked with on similar projects. We believe each reference will support the statement that NHA takes a very comprehensive approach to complicated projects, manages the project well, and presents concepts and ideas to both City staff and elected officials with confidence, clarity, and full transparency.

As demonstrated in the chart on page 2 of our proposal, **NHA is the #1 most active financial advisor to California Cities**. In addition, we have successfully completed more utility transactions for California cities than any other firm in recent years. NHA, in addition to providing all the required scope of services in the RFP, provides a number of unique non-bond consulting services, all as described in the supplemental attachment to this proposal. We encourage you to look through it to see some of the expertise and services that may be of value to the City. Over the last 20 years, the principals of NHA have developed policy, budget, pension, energy project, public-private partnerships, and economic development expertise. Some of this experience is highlighted in our proposal and through the references we provide, and a comprehensive list of our available services is included in the separately bound appendix.

This response to the RFP by NHA Advisors is valid for 90 days and authorized by the firm's officers for submission to the City. NHA Advisors is a Registered Municipal Advisor with the Security Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB") and has provided professional advisory services exceeding five years. Each NHA team professional assigned to the City has passed the municipal advisory exam (Series 50), is registered with the SEC and MSRB, and is compliant with all MA-I filings.

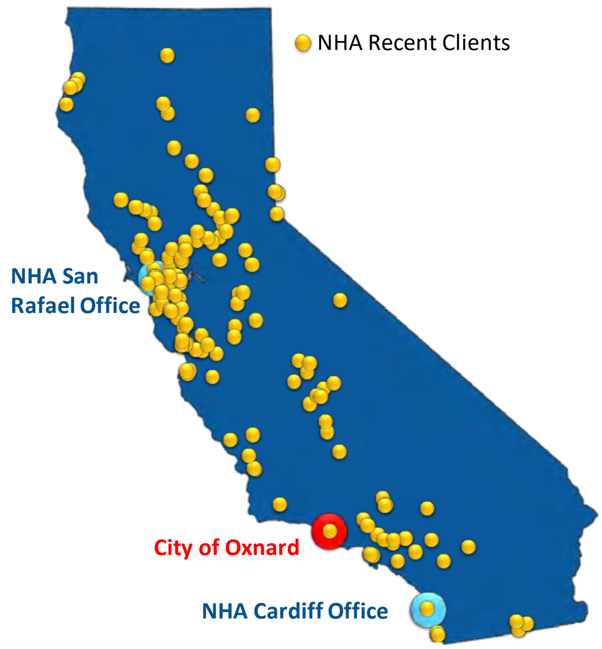
Sincerely,

Craig Hill, Managing Principal

NHA | ADVISORS
Strategy. Innovation. Solutions.

I. COMPANY INFORMATION

NHA Advisors, LLC ("NHA") is a privately-owned Independent Registered Municipal Advisor registered with the SEC and MSRB and includes six municipal advisors, five of whom currently hold the Series 50 examination certification. NHA maintains a headquarters in San Rafael and a southern California office in Cardiff. NHA only works within the State of California and serves local government agencies, with a primary focus on cities, special districts (utilities and community services), and successor agencies to redevelopment.



NHA's approach to each public agency client is a long-term, comprehensive and holistic understanding to better develop solutions to project funding, budget sustainability, and service delivery. While not necessarily requiring NHA involvement, our understanding of all the "moving parts" helps us frame specific questions and provide better solutions for projects or programs.

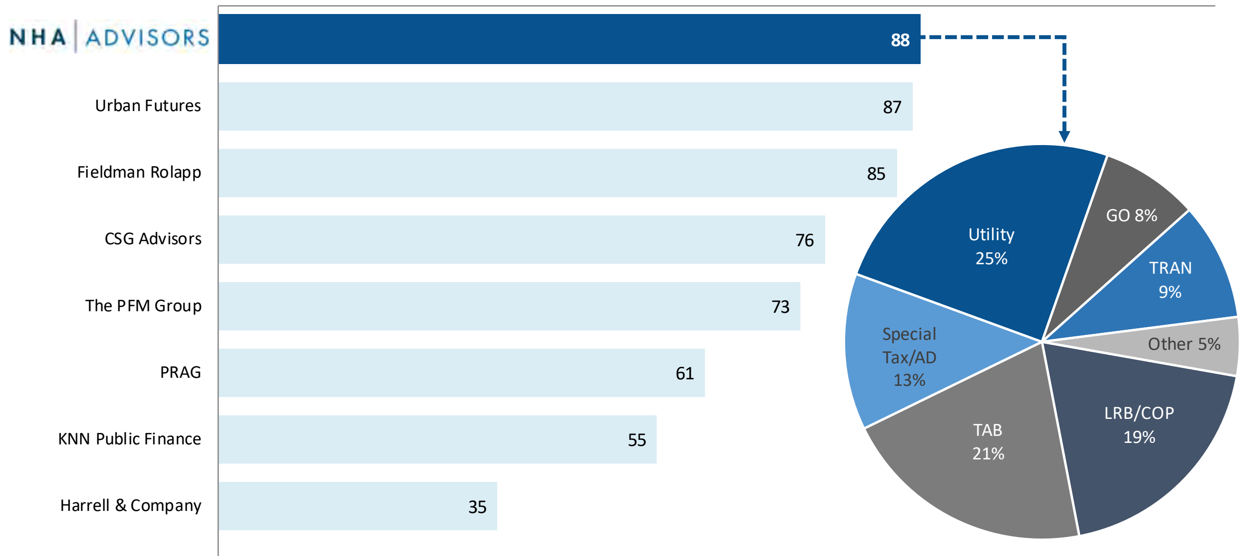
As shown in the graphic to the right, NHA provides comprehensive financial advisory and consulting services to public agencies throughout the State. Our practice takes us to all corners of the State, and transportation is not a problem to get to the City when required. We typically meet with public agency clients 2-3 days per week, so the principals of NHA know the travel patterns well. We recognize that there could be a perception that Oxnard is a 3-hour drive or a 3-hour flight from either office, but we encourage you to reach out to any of our references throughout the State to confirm our availability to make meetings, join calls, and attend council meetings.

If presented with the opportunity to serve the City, NHA principals and vice presidents from both San Rafael and Cardiff offices, depending on the project needs, will be available to the City.

UNIQUE QUALIFICATIONS

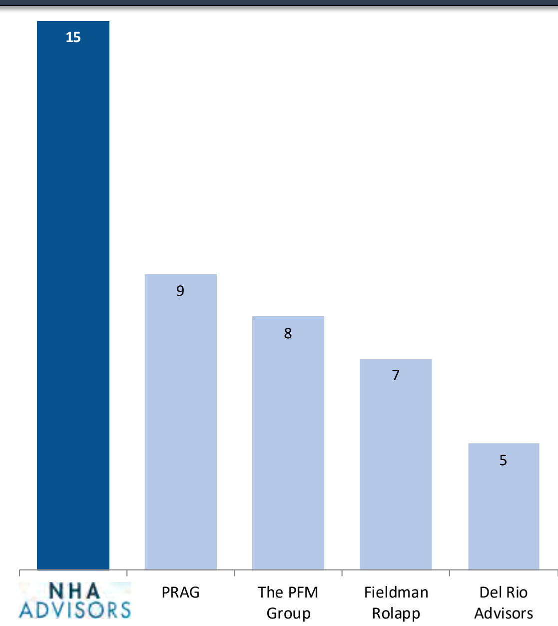
Our breadth of experience sets us apart from other municipal advisory firms. Much of our competitors' expertise is limited to multiple, plain vanilla financing transactions done for large, repeat clients. This limits the breadth of their experience, preventing them from effectively thinking creatively on unique issues such as those facing the City. Our work with over 65 municipalities (nearly all cities) throughout California has exposed us to a wealth of innovative funding solutions that we will use in advising the City. Our experience informs our solutions, and as the case studies in Section II demonstrate, we have experience that is directly applicable to the situation facing the City's wastewater enterprise fund. However, as we hope this proposal demonstrates, not only does NHA have solutions for the difficulties facing the City's enterprise funds, we also have a wealth of bond financing and non-bond consulting experience.

MOST ACTIVE MUNICIPAL ADVISORS TO CALIFORNIA CITIES
City Transactions (January 2013 - Present)[1]



NHA is the leading municipal advisor to California cities, according to data published by the California Debt and Investment Advisory Commission ("CDIAC")[1]. As shown in the graphic above, NHA has diverse experience with any type of bond structure that the City may undertake. This experience runs the gamut from the smallest of issuers, such as a $1.5 million private placement for the City of Gonzales, to the largest, such as the $575 million TAB and $595 million Sales Tax financings for the City of Industry.

MOST ACTIVE MUNICIPAL ADVISOR TO CALIFORNIA CITIES
City Utility Transactions (January 2014-Present)[2]



We monitor the market closely to determine the optimal method of sale. In the past year, one-third of the financings we have worked on were sold through a private placement, with the remainder being public issuances. NHA will also recommend whether a competitive or negotiated bond sale will provide the best results for the City based on the nature of financing and market conditions. We have worked with every underwriter and bond counsel in the business, and in addition to having great working relationships with all, we also understand the unique qualifications and working approach of each in case the City needs guidance on optimizing its financing team.

According to CDIAC data[2], **NHA is the leading financial advisory firm to cities issuing utility bonds**. Rate structuring assumptions changed in 2015 when courts found the City of

[1] Source: California State Treasurer; all transaction types

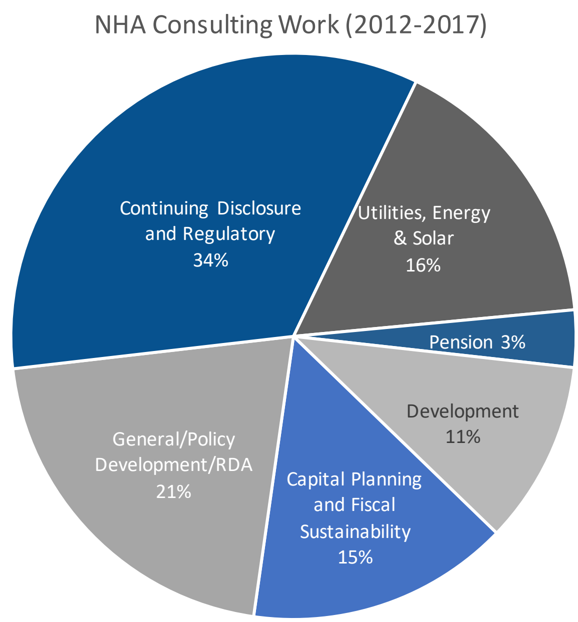
[2] Source: California State Treasurer; water, sewer, storm water, and solid waste transactions

San Juan Capistrano's tiered water rates to be in violation of Proposition 218. NHA continues to be a leader in utility finance despite the shifting legal landscape. Our experience advising cities on user rate structures and in communicating strengths of a utility credit to rating agencies and potential investors translates into our dominant position as the top municipal advisor for utility debt in California. We are very active in this market and have already completed four (4) financings in 2017.

NHA has experience with the conditions facing the City, post-Measure M, and we have completed financings under the cloud of legal challenges to rate increases for cities and special districts including the Cities of Davis and Corning and the Palmdale Water District. We also have experience restructuring synthetic fixed-rate bonds that have since become difficult to manage, most recently, guiding the City of Corcoran through the process of terminating their swap and refinancing outstanding utility bonds for cash flow savings outweighing the cost of the swap termination payment. For more details regarding our experience with these utility financings directly applicable to the City's situation, please refer to Section II.

GENERAL CONSULTING SERVICES

Our non-bond practice now includes work with 30+ public agencies providing objective, unbiased advice on everything from pension liabilities, reserve funding levels, continuing disclosure, budget practices, and rate analysis. NHA is a team of highly experienced professionals who take the time to understand every aspect of our client's needs before bringing ideas, strategies, facts, and research to our client. As a result, many cities rely on us to not only for issuing bonds, but also to provide strategic financial planning, assistance with other consultants, and general staff support for items that may go before elected officials. **Since the beginning of 2012, NHA staff has completed 164 unique consulting assignments for public agencies**, many of which were not related to a financing. Other municipal advisors do not commonly provide this level of service, but our "*extension of staff*" services have become a critical benefit to many of our clients given the financial and staffing pressures that have lingered past the most recent economic downturn.



NHA STAFF QUALIFICATIONS

NHA is led by three senior advisors, each with over 25 years of experience in public finance. The firm's approach to any engagement includes the dedication of multiple senior advisors to provide stability, consistency, and to give City staff multiple points of contact to ensure questions are answered or information can be provided on a timely basis. Experience has shown that our existing public agency clients have appreciated the depth and availability of NHA's staffing structure, and the ability to leverage the unique expertise of each advisor when called for.

Craig Hill, Managing Principal, will be designated as the lead advisors to the City and will be available as the day-to-day point of contact. Mark Northcross and Eric Scriven will serve as co-advisors, lending their particular expertise to specific projects. The City will also be supported directly by Vice Presidents Mike Meyer and Rob Schmidt, who will oversee analytical and support staff. NHA will commit all resources at its disposal to ensure that the City receives the highest level of service.

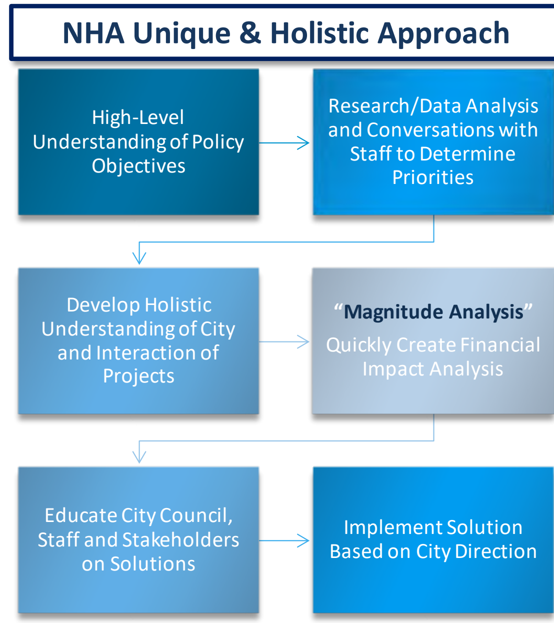
NHA is currently providing consulting services to the City for the Oxnard Performing Arts & Convention Center and CalPERS liability analysis. Both engagements are discrete components and demonstrate our broad expertise beyond the financing requirements of the City. In addition, three of our assigned staff have worked extensively with current City staff in different agencies. Craig, Rob and Mike have worked with Mr. Throop while he was in City of Paso Robles since 2007 providing financial advisory/consulting services. Mike Meyer has over 5 years of experience working with the City ACM, Mr. Jesus Nava, while Mr. Nava served as Finance Director for the City of Burlingame. Serving Burlingame as investment banker from 2005 to 2011, Meyer provided transactional, credit, and quantitative support on six (6) financings (water, sewer, storm drain, lease, POB), totaling $82 million. In addition to providing quantitative support, Meyer developed all credit rating and city council presentations, and helped originate Burlingame's first online bond investor site and local retail marketing campaign.

Complete resumes are included in the supplemental appendix, and the table below provides a summary of each advisor's role, expertise, and general qualifications as it relates to serving the City of Oxnard.

					
Name	**CRAIG HILL**	**ERIC SCRIVEN**	**MARK NORTHCROSS**	**MIKE MEYER**	**ROB SCHMIDT**
Role	**Project Manager & Day-to-Day Contact**	**Co-Lead Advisor**	**Co-Lead Advisor**	**Support Advisor**	**Support Advisor**
Experience	27 Years	26 Years	35 Years	14 Years	14 Years
Department	Manages NHA's Local Government Finance and Clean Energy Practice Group	Manages NHA's Utility, Derivatives & Redevelopment Practice Group	Manages Land Secured, Utility and P3 Practice Group	Manages Pension Consulting Group and Quantitative/ Analytic Staff	Manages NHA Continuing Disclosure Practice & Credit Research Department
Key Expertise	Fiscal Sustainability Analysis, Voter Approved Debt, Budget Development, Strategic Planning, New Development Policy Considerations	Water and Sewer Financing, Utility Swap Agreements and Valuation, Redevelopment TAB Financing Expert	Utility Expert, Rate Challenges and Financial Workouts, Economic Development and P3 Strategies	Pension Liabilities Expert, Fiscal Sustainability, Cash Flow Modeling, Credit Expertise	Continuing Disclosure Expert, Short-Term (BAN/TRAN) Financings, CFD/AD Formations
Recent & Relevant Financing Experience	(1) 2017 Yuba City and National City CREB (2) 2016 Berkeley Parking Revenue Bonds (3) 2015 Hayward Sales Tax Library COP	(1) 2016 Corcoran Water Refi + Swap Termination (2) $1B+ Industry 2015-2017 (TABs, Sales Tax, GO) (3) 2016 Napa Solid Waste "Green Bonds"	(1) 2017 Corning Water/WW Workout (2) Davis Water Bond (3) Palmdale Water District Water Bond	(1) 2017 Corning Water/WW Workout (2) 2016 Corcoran Water Refi + Swap Termination (3) UAL Restructure for Arcata/Lakeport	(1) Yuba City CREBs (2) 2016 Hayward COPs and TABs and Refunding (3) 2016 TRAN Berkeley, Torrance, and El Cerrito
Education	UC Davis	UC Berkeley	UC Irvine	UC San Diego	UCLA

II. NHA APPROACH TO CITY OBJECTIVES

NHA takes a holistic, comprehensive and patient approach to each public agency engagement. We understand that in order to provide the most objective options, NHA must have both a global and detailed understanding of the situation. NHA's approach includes first getting a clear understanding of the City's needs, concerns and objectives. Once we have listened, the process of gathering reports, data, talking to stakeholders, and other information begins with the intention of beginning the options once a "full-picture" is developed. We take pride in getting to this point quickly through a commitment of time and focus.



A key NHA mantra is be efficient and respectful of a City's time and resources. From this objective, we begin the next phase by developing a "Magnitude Analysis," with the intention of calculating some preliminary analysis to determine if the results are appropriate and worthy of continued analytical refinement. We respect the process of changing directions or cutting the process off early if initial results indicate the solution is not viable.

Once NHA has provided the Magnitude Analysis and early indications are positive, the full detailed analysis and financing alternatives can be developed and presented to City staff and officials for approval. Only at this point is the determination to issue debt or complete a financing determined. NHA maintains complete, unbiased and agnostic opinions while developing the initial analysis. Often decisions result in non-bond financial solutions and NHA is not financially motivated to advocate for bond financing solutions.

GENERAL SCOPE OF SERVICES

NHA takes a hands-on approach to the planning portion of every project and has developed an internal process that applies the talents of each NHA member to each step in the financing process. NHA commits to doing what it takes to manage the process and achieve a successful result for the City and other stakeholders. NHA serves as an ***extension-of-staff*** when desired and will take a pro-active role in assisting the City to manage its complex debt portfolio, stay in compliance with ever-changing SEC and CDIAC regulations, manage its letter of credit and derivative instruments and enhance its investor relations program. As noted in the previous page, NHA's Mike Meyer has extensive experience working on investor relations programs and online landing sites, including for the cities of Beverly Hills and Burlingame.

NHA's comprehensive Scope of Services are detailed in the supplemental Appendix and includes ALL of the City's requested services as shown on pages 11 through 14 of the RFP. You will also note that our scope of services and expertise is more expansive than what is required, including items related to pension liability analysis (see next page), CIP evaluation, non-bond debt and grants, and general research.

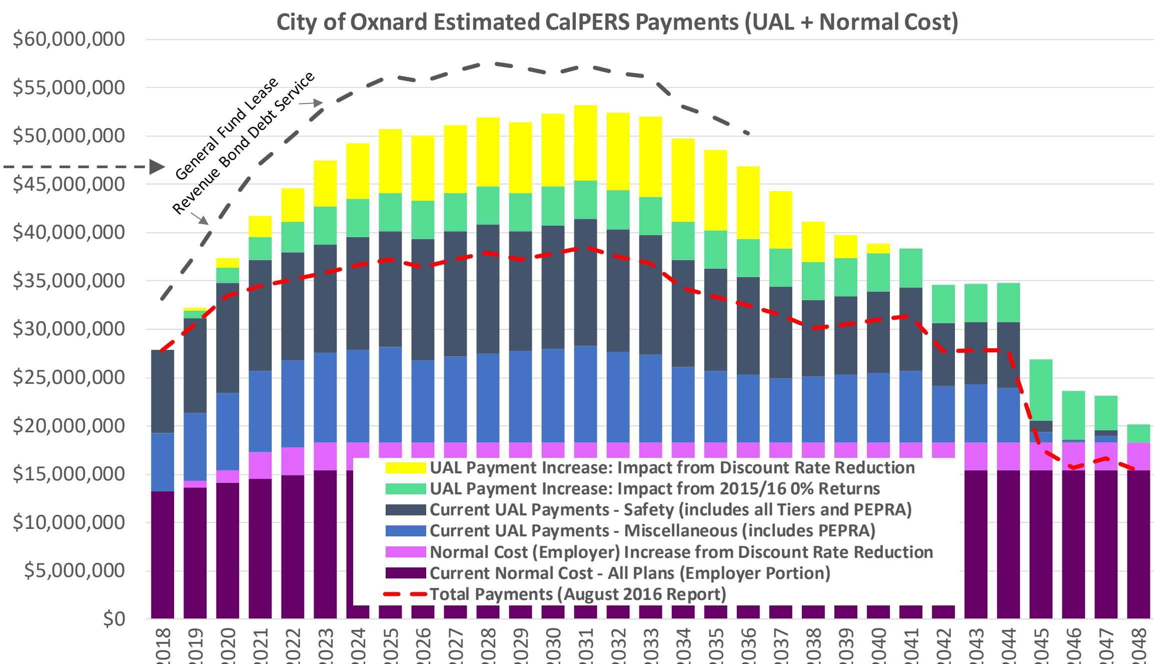
LONG-TERM STRATEGIC FINANCIAL PLANNING SERVICES

NHA has provided long-term strategic planning services to cities for more than a decade. This expertise grew out of our continued discussions with public agencies as it related to issuing debt for projects and the need to look beyond the next few years to better understand the needs and financial impact over time. Our work has ranged from quantitative modeling/forecasting to extensive policy recommendations to maintain certain reserve levels to allocation of revenues for future capital projects to avoid the need to incur debt. NHA develops long-term strategic plans based on priorities set by each public agency. No two are alike and our expertise allows us to design a plan specific to the client, situation, and project. **NHA believes that every capital project should start with some form of long-term strategic financial plan. If a project can be funded from reserves or cash flow, it alleviates the need to incur debt and make interest payments. Without the financial plan, a public agency does not have a good understanding of options for funding any capital project.**

Over the past several years, NHA has been at the forefront of CalPERS-related pension analysis, restructurings, and education in an effort to provide the highest level of client service to California cities. In addition to proactively publishing reports ("NHAlerts") for our local agency clients and executing innovative pensions restructurings, NHA has worked with more than a dozen public agencies to provide up to date pension cost estimates, solutions, and options to address rising liabilities. We often serve as an unbiased third party to educate councils/boards and residents about the public agency's pension situation. We were recently engaged by the City to assist with this pension analysis, and look forward to presenting our research in person soon. For this proposal, we did want to include a quick snap-shot of the City's 30-year cost projections taking into account all recent changes announced by CalPERS.

The City's Current UAL is approximately $228 million. Based on a combination of PERS' recent decision to reduce its discount rate from 7.50% to 7.00% (phased in over 3 years) and the low investment returns earned by CalPERS in fiscal year 2015-16 (0.6%), we expect the City's UAL to increase by approximately 45% to over $330 million in the next few years. Annual payments to PERS are projected to increase from $27.8 million in fiscal year 2018 to approximately $47.5 million by fiscal year 2023 as can be seen in the chart below. Each colored bar represents payments related to (1) Normal Cost; (2) UAL Payments (by plan); and (3) UAL payment increases (both from discount rate reduction and the 0.6% 2015/16 returns).

While the City's non-PERS General Fund debt portfolio (2003N, 2006, 2011, 2014 Lease Revenue Bonds) is not over-burdening itself, the fact that the approximately $5-$6 million annual debt service payment (see grey dotted line below) is concentrated in years 2018 through 2036 only exacerbates the "front-loaded" cash flow burden caused by the growing PERS liabilities. NHA looks forward to digging deeper to refine our PERS estimates (to better reflect possible employer/employee cost sharing and non-General Fund assistance), assisting the City evaluate its long term General Fund fiscal sustainability, and exploring options that can be utilized to reduce long term pension costs and/or restructuring options for the City's lease revenue debt and UAL.



CONSIDERATION FOR CITY'S WASTEWATER ENTERPRISE FUND

NHA has extensive experience with solving the City's Wastewater Enterprise Fund obligations and the negative impact of Measure M. As we demonstrate in the following case studies, we have previously worked through similar restructuring situations to resolve a rate covenant technical default (City of Corning, 2017), securing new financing during rate litigation (City of Davis, 2013; Palmdale Water District, 2012), restructuring a synthetic fixed-rate utility revenue bond (City of Corcoran, 2016), and experience with inter-fund loans as a short-term, stop-gap funding structure.

While we recognize we do not have all the facts related to the City's financial picture, based on our review, we have developed a few strategies to address some of the City's immediate needs.

1) The City does have the ability to restructure existing obligations while Measure M is pending (NHA has completed two in the last five years for the City of Davis and for the Palmdale Water District)
2) A restructuring can be designed to withstand an adverse court decision regarding Measure M (City of Davis)
3) Restructuring of a portion of the outstanding wastewater debt now can to bring the rate covenant into compliance (reduction in total debt service in early years will improve coverage ratio)
4) Synthetic fixed rate structure (2004 Bonds) can be terminated through restructuring into traditional fixed rate (City of Corcoran)
5) Inter-fund Loan between Water Enterprise Fund and Wastewater Enterprise Fund for short-term termination costs related to restructuring (City of Davis)

PROPOSED NHA SOLUTION

Step 1: City Water Enterprise Fund inter-fund loan to Wastewater Enterprise Fund to terminate the swap instrument on the 2004B variable rate wastewater revenue bonds ("2004 Bonds")

Step 2: Cash flow analysis demonstrating coverage under different restructuring scenarios, using approved wastewater rates prior to Measure M. Objective to achieve sufficient coverage in years 2 through 4

Step 3: NHA restructures 2004 Bonds (potentially including portion of 2006 Bonds) to reduce payments in earlier years. Restructuring could be done as subordinate structure to existing 2013 Bonds and 2014 Bonds. Option could also include extension of final maturity. Objective is to minimize total payments in early years to revise rate structure (if Measure M succeeds in court)

Step 4: Develop private placement strategy for suboridinate bonds. NHA has experience with this structure and placement of bonds. Best opportunity potentially through private placement of the 2004 and 2006 Bonds with a single financial institution.

Step 5: Implementation of financing program can be accomplished in 90-120 days

CASE STUDIES

NHA Helps Corcoran Restructure Utility Debt Given Union Bank/MUFG LOC Expiration, Swap Termination Payment and Debt Service Coverage Violation – Between 2015 and the summer of 2016, NHA worked with the City of Corcoran to develop a multipronged solution to a water system facing financial pressure similar to the City. In 2008, Corcoran issued variable rate debt with a Union Bank/MUFG LOC, and a synthetic fixed rate swap. The structure saved money over 7 years (compared to traditional fixed rate bond), however, with the LOC market changing, the City faced renewal challenges. Financial pressure on the water fund from (1) rate covenant pressure from drought-induced revenue decreases, (2) expiring LOC with no renewal option, (3) ballooning swap termination payment, and (4) the necessity for a new rate structure that would ensure fiscal sustainability and equitability amongst all types of rate payers.

Ultimately, through a patient process by NHA, the City began a restructuring process in 2015 and executed a multi-faceted financial solution mid-year 2016. Highlights include:

- Utilized Rate Stabilization Fund to Meet Debt Service Coverage Target and Rate Covenant
- Negotiated an extension of the LOC through June of 2016 to give the City a “short-term window” to conduct a thorough rate study
- Extended the maturity of the restructuring bonds in order to lower annual debt requirements, improve coverage, and raise additional new money for a couple key projects
- Restructuring involved terminating the swap, and reducing future LOC renewal and swap related risks to the City
- Worked with rate consultant to ensure a fiscally sustainable and equitable water rate structure that ultimately was adopted
- Achieved “A” rating with stable outlook

Water Financing for the City of Davis Under Prop. 218 Litigation Period – In 2013, the City of Davis began a process to fund a portion of a regional water treatment plant. The funding required a substantial rate increase and successful public hearing. The adopted water rates were then challenged by a local ratepayer group. During litigation, the ratepayer group succeeded a referendum and ballot action on the June 2014 election to repeal the rate increase. Measure P passed, forcing the rollback of water rates to the 2010 rate structure. The city then challenged Measure P through the courts and reached a settlement agreement with the ratepayer group allowing the city to start a new rate increase process.

During the legal challenges to the rate increase (including political and legal process was going on, the city needed to provide interim funding for its $150 million water supply project. NHA served as the city’s municipal advisor and structured a $30 million loan from Wells Fargo that successfully closed in the midst of the 218 litigation. With NHA’s assistance, the City of Davis was able to meet its funding obligations for the water supply project on schedule, despite litigation challenging its recently-enacted utility rate increase.

Refinancing for Palmdale Water District During Prop. 218 Litigation – The principals at NHA were serving as financial advisors to Palmdale Water District in 2009 when the District began a Prop 218 process to establish new water rates. However, as the mortgage meltdown in the Palmdale community was reaching its peak, the City of Palmdale filed a lawsuit challenging the rate structure under a cost of service concept later that year.

NHA Advisors determined that a $12M water revenue debt obligation could be refinanced with significant savings. The challenge was how to find an investor for this refinancing during the rate challenge period. NHA addressed this problem by (1) arranging for a private placement with a bank and (2) demonstrating that the District had the revenues and fund balances to pay debt service on the obligation even if the City of Palmdale was successful in the litigation.

Refinancing to Correct Rate Covenant Default for the City of Corning – In 2016, The City of Corning was in technical default on its rate covenant with respect to about $3.7M in outstanding debt secured by net revenues of its water utility. NHA structured a refunding of this debt, along with wastewater utility debt, that enabled the City to meet its rate covenant without raising water rates immediately. The covenant default had resulted from the State mandated cutbacks in water consumption because of the drought, despite the fact that the City's water supply was 100% from groundwater. The debt restructuring, closed this year, enables the City to gauge how much of a "rebound" from the drought will occur with respect to water consumption before structuring its next water rate increase. A unique rate stabilization fund covenant was utilized instead of a rate increase to provide extra security to bond investors.

While the 2017 refunding of the City's water debt had no underlying rating, NHA was able to secure a commitment for bond insurance from BAM, a major bond insurer. Insurance on an unrated credit is highly unusual, but enabled the City to provide even more relief for the water fund. BAM offered the insurance because of their confidence that the City would raise rates in the near future, and the refunding bonds would subsequently be rated investment grade. We believe this situation is very analogous to the City's with respect to its wastewater fund. Again, it shows the ability of NHA to restructure debt in a very innovative way to enable compliance with a rate covenant without going through a public hearing process.

III. CLIENT REFERENCES

City of Industry

Contact: Paul Phillips, City Manager Phone: (626) 333-2211 Email: paul@cityofindustry.org

Recent Bond Financings

- 2014 GO Refinancing
- 2015 TAB Refinancing
- 2015 Sales Tax Bonds Refinancing
- 2017 Sales Tax Bonds Refinancing

Consulting and Other Advising

- Provide Municipal Advisory services for $1B Debt Portfolio
- Translate/Present Complex 35-Year Financing Program to Educate City Council, Staff and Community Members
- General Obligation Bond Ad Valorem Tax Levy Analysis
- Flow of Funds Analysis for Successor Agency and Sales Tax Revenue Bonds
- Credit Rating Assistance During Unexpected Rating Downgrade
- Utility Power Project Consulting
- Review of Investment Advisor Proposals

CASE STUDY: Industry 2015 TAB Restructuring*:* The Successor Agency to the Industry Urban Development Agency successfully completed a $575 million refinancing on July 2, 2015. This transaction secured more than $100 million of savings for taxing agencies that receive property taxes from the city's taxable parcels. NHA served as municipal advisor to the successor agency for more than three years to design and implement the plan of finance to bring savings to fruition. NHA helped the agency garner "A" category underlying ratings, bond insurance, and reserve fund sureties for the majority of the highly complex issuance, which ultimately was composed of six series of bonds, including taxable and tax-exempt and senior and subordinate lien bonds.

NHA and the rest of financing team utilized a Marks-Roos financing structure to help the Agency achieve its multiple objectives and cross-collateralize its three project areas for the strongest overall credit. NHA was also instrumental in creating a dynamic flow of funds legal structure that passed muster with rating agencies, insurers, and investors, and allowed the agency to best leverage its unique, two-part tax revenue pledge. Through the refinancing of the agency's subordinate tax allocation bonds, **the city's General Fund (owner of the refunded subordinate TABs) liquidity position increased by approximately $450 million**.

City of Berkeley

Contact: Henry Oyekanmi, Finance Director Phone: (510) 981-7326 Email: HOyekanmi@ci.berkeley.ca.us

Recent Bond Financings

- 2016 Parking Revenue Bond
- 2017 GO Bond Financing
- 2016 GO Bond Financing
- 2016 Parking Revenue Bond
- 2016 TRAN

Consulting and Other Advising

- Parking Enterprise Consulting and Projections
- Downtown Housing Project Evaluation
- Community Choice Aggregation (CCA)
- Microgrid Program Consulting
- Voter-Approved GO Bond Authorization

CASE STUDY: Berkeley 2016 Downtown Parking Project -

After a culmination of 22 years of due diligence evaluating the need for seismic retrofitting, modernization, and expansion needs, it was determined that the city's aging Center Street Garage would need to be replaced. The new garage will have an efficient double helix design; valet and self-storage for more than 300 bicycles; 19 electric vehicles charging stations; and will include rooftop solar panels, high-efficiency LED lighting, a rainwater collection system to bio-filter, and store water for irrigation. In addition, the garage will serve as a micro-grid hub that provides emergency power. The design and engineering for the garage was centered around the need to have sufficient net parking revenues to cover the 2016 Bonds. A key policy objective was to avoid a pledge of the city's general fund or additional taxpayer support for the project.

After months of due diligence and financial planning, NHA developed a funding solution that maximized utilization of cash-on-hand ($12 million) in order to reduce the required bond funded portion ($31 million) and meet optimal coverage targets. NHA led the effort to develop a credit that relied upon both parking enterprises of the city (meters and garages) along with key security features, such as a cash fund rate stabilization fund (MADS-funded at closing) that captures excess net revenues through the construction period. In addition to the security features, NHA focused on the city's booming downtown business district, strong demographics, and the unique "goBerkeley" parking management program when developing the rating presentation.

The 2016 Bonds achieved an "A" rating from S&P based on the strong credit fundamentals and conservative security features and achieved a 2.94% all-in TIC. **This rating is higher than most other comparable parking transactions and an excellent result given the perceived riskier nature of parking revenue credits.** The rating is a testament to NHA's approach and ability to successfully navigate the credit rating process, including: (1) executing early planning, due diligence and analysis; (2) assembling a highly-experienced team of lawyers and underwriters that collaborated effectively; and (3) leveraging and preparing the key city team members who could eloquently communicate the key attributes of the city and parking enterprise directly to the rating analysts.

City of Hayward

Contact: Kelly McAdoo, City Manager   Phone: (510) 583-4305   Email: Kelly.McAdoo@hayward-ca.gov

Recent Bond Financings

- 2016 TAB Refinancing
- 2016 City Hall COP Refinancing
- 2016 Airport Improvement Financing
- 2015 Library Sales Tax COP Financing
- 2014 Fire Station/Health Center Financing
- 2013 CFD Refinancing

Consulting and Other Advising

- New Development Service Impact CFD Analysis
- Capital Planning Review and Analysis
- TOD Development Negotiation & Financial Analysis
- Street Improvement Financial Planning Program
- Continuing Disclosure Review
- MCDC Compliance Education

CASE STUDY: Hayward Hybrid Financing Structure (Fire Station/Health Center) - NHA worked with the City of Hayward to develop a financial plan to fund a combination Fire Station/Health Center project. It was a collaboration between the city's fire department and the county's health department that required timing an existing fire station replacement project with the incorporation of an adjacent walk-in health facility. NHA developed the long-term strategic financial plan to determine both the funding for the construction and on-going operation. From this analysis, the city realized that funds would be available in 5-10 years from various sources; and therefore, a long-term financing would not be in their best interest. NHA developed a funding plan that included the use of an internal loan from the city's water fund and a bank loan for the remaining need. As funds become available over the following years, the city will apply those funds to the internal loan (thereby accelerating the repayment) and make the dedicated payments to the bank for the remainder of the obligation.

> "What started as a traditional 20 to 30-year lease-type financing ended up saving significant interest and transaction costs by getting done as a 'hybrid' financing structure."
> *Tracy Vesely, Former Finance Director, City of Hayward*

City of Corcoran

Contact: Kindon Meik, City Manager Phone: (559) 992-2151 x 228 Email: Kindon.Meik@cityofcorcoran.com

Recent Bond Financings

- 2016 Water Refinancing + Swap Termination (SEE CASE STUDY PAGE 8)
- 2016 TAB Refinancing
- 2014 Assessment District Refinancing
- 2012 Water Refinancing (fixed rate)

Consulting and Other Advising

- Prepare Long-Term Fiscal Sustainability Analysis and present to Council
- LOC and Swap Evaluation Consulting
- Continuing Disclosure preparation
- Water Rate Study review
- Pension liability analysis and UAL restructuring review
- Capital Planning Review and Analysis
- MCDC Compliance Education

City of Napa

Contact: Mike Parness, City Manager Phone: (707) 257-9501 Email: mparness@cityofnapa.org

Recent Bond Financings

- 2016 Solid Waste Revenue (Green Bonds)
- 2016 Water Revenue Bond Refinancing
- 2015 TAB Refinancing

Consulting and Other Advising

- 2017 Continuing Disclosure Consulting
- Solid Waste - NRRP AD Funding Analysis/ Alternatives (Part 2)
- Soscol CFD Consulting
- Solid Waste - NRRP AD Funding Analysis/ Alternatives (Part 2)
- 2016 Continuing Disclosure Consulting

CASE STUDY: 2016 Napa Green Bonds: In October 2016, the City of Napa raised $12.23M through its 2016 Solid Waste Revenue Bonds (Green Bonds). NHA served as the city's municipal advisor on its Napa Renewable Resources Project ("NRRP") – a comprehensive, multi-staged project designed to make Napa a leader in the State of California in solid waste diversion in compliance with AB 939, AB 341, and other State regulations. NHA worked closely with staff over a three-year period to navigate the planning and regulatory hurdles prior to securing the funds to build the NRRP's first phase project, a $10 million covered composting concrete bunker system that converts organics into methane gas used for refuse collection trucks. NHA guided the city towards selection of key members of the financing team, as well as coordinated for and prepared the city to deliver a summary of the credit to S&P. The city was successful in securing a credit rating upgrade from "AA-" to "AA/Stable," which translated to a remarkably low Federally taxable interest rate of 2.98% on this 20-year transaction.

IV. FEE PROPOSAL

FINANCING PROJECTS

For projects already identified as requiring external financing, NHA will perform the necessary financial advisory work subject to a fixed fee identified at the beginning of the process for each project. The range of fees NHA charges its clients for working on a contingent basis for particular types of public financings is shown at right. For projects associated with the issuance of notes, bonds, or other obligations, NHA will be compensated based upon the size (and NHA liability), complexity, credit quality and actual professional time dedicated to the financing project.

Typical Budget for Advisory Services (For Financing Projects)	
Project Type	**Fee Range**
Tax and Revenue Anticipation Notes	$20,500 - $32,500
General Obligation Bonds	$42,500 - $67,500
Certificates of Participation	$42,500 - $67,500
Tax Allocation Bonds	$57,500 - $92,500
Revenue Bonds	$47,500 - $87,500
Assessment Districts	$37,500 - $72,500
Community Facilities Districts	$47,500 - $72,500

ADVISORY SERVICES (CONSULTING)

For projects that do not have a defined financial solution from inception, NHA approaches these assignments objectively without prejudice for a bond financing. For projects that are not directly tied to the issuance of any obligations, or at the request of the City, NHA proposes to provide financial advisory/consulting services on an hourly basis. NHA's hourly professional billing rates are shown in the table to the right.

Person	Hourly Rate
Principal	$325
Vice President	$250
Associate	$175
Analyst	$125
Administrative	$75

EXPENSES

NHA will be reimbursed for extraordinary and third-party vendor expenses incurred by NHA on the City's behalf. Such third-party vendor expenditures, such as specialty data, shall not be incurred by NHA without prior written approval of the City. California travel expenses will ***not*** be considered a reimbursable expense.

Such expenses are in addition to the not to exceed amounts quoted above.

MAY 22, 2017

REQUEST FOR PROPOSALS (RFP)
FOR
FINANCIAL ADVISORY SERVICES
APPENDIX

CITY OF OXNARD CALIFORNIA

By

NHA ADVISORS
Strategy. Innovation. Solutions.
4040 Civic Center Drive, Suite 200
San Rafael, CA 94903
Phone: (415) 785-2025
www.NHAadvisors.com

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NHA STAFF RESUMES

Public Finance Professional Since:

1989

Expertise

- Cities and Special Districts
- Renewable & Energy Efficiency Financing
- Utility Expert – Water, Wastewater, Refuse
- Educational Presentations, Public Speaking
- Public Finance and Policy Leadership
- Voter-Approved Financing

Education

UCDAVIS
UNIVERSITY OF CALIFORNIA

- B.S. Managerial Economics
- B.S. Agricultural Economics

Craig Hill, *Managing Principal*

Mr. Hill has been a public finance professional since 1989 and is a founding partner of NHA Advisors. His clients include California cities, redevelopment agencies, special districts, and school districts throughout the State. In addition to providing traditional financial advisory expertise on public finance, Mr. Hill's expertise includes developing public policies for financial systems, appropriate reserve levels and capital finance requirements. His understanding of local government and the operational components (public safety, water, sewer, marinas, airports, golf courses and other enterprise funds) provides a professional basis to assist public agencies in developing sound financial planning practices.

Mr. Hill has extensive experience in the issuance of water and sewer revenue bonds, general obligation bonds, tax allocation bonds, certificates of participation, tax and revenue anticipation notes, land-secured improvement bonds, and bond anticipation notes. In addition to traditional projects, Mr. Hill is also active in energy efficiency and renewable energy project financing.

Mr. Hill speaks to many professional associations including the Milken Institute, Carbon War Room, California Debt and Investment Advisory Commission, Municipal Management Association of Northern California (MMANC), and participates on speaking panels for public finance and solar financing.

Prior to founding NHA Advisors, Mr. Hill began his public finance career as a financial analyst for SMUD to evaluate the financial and economic feasibility of the Rancho Seco Nuclear Power Plant Plan. In addition to working for the Sacramento Municipal Utility District, Mr. Hill worked for the State of California to develop financing programs for the State's facility upgrades. While in private practice, he managed the financial services group of Jones Hall, a premier bond counsel firm in San Francisco. Mr. Hill began his own municipal advisory practice with Mark Northcross in 1992 after working for Kelling, Northcross & Nobriga.

In addition to working as a municipal advisor, Mr. Hill has served as a member of the Novato Park & Recreation Commission, Novato Investment Committee, and Novato Budget Committee. He has also served on the board of directors for the Novato Youth Soccer Association and as President of the Novato Lacrosse Club.

Public Finance Professional Since:

1990

Expertise

- Cities and Special Districts
- Utility Expert - Water, Wastewater, Refuse, Land-Secured
- Expert on Educational Presentations, Public Speaking

Education

Berkeley
UNIVERSITY OF CALIFORNIA

- B.S. Urban Land Economics and Finance
- MBA, Hass School of Business

Eric Scriven, *Principal*

Since 1990, Mr. Scriven has provided municipal advisory and implementation services for public agencies throughout California. He has served as an investment banker or municipal advisor to dozens of municipal and special district clients and has personally managed more than 100 successful financings for a par value of more than $2 billion during the past 10 years.

Mr. Scriven's assignments have ranged from large, strong credit cities to non-rated land-secured transactions. He takes special care to conduct the most thorough due diligence to fully understand a client's goals, as well as all opportunities and constraints inherent in a project. This approach enables him to provide critical advice to clients and to maximize opportunities to best "fit" (or sometimes rule out) a solution and then, importantly, effectively implement that solution. Additionally, Eric provides invaluable support to his clients by helping them optimally position their finances to meet their goals, with an emphasis upon best-practices forecasting methods for capital planning, budgeting and investment.

Between visits to city halls and time spent in the office, Eric actively seeks out outdoor adventures wherever and whenever he can. Half Dome, Glacier NP, Mt. Shasta and the Grand Canyon—and always the Pacific Ocean—are recent memorable destinations!

Public Finance Professional Since:

1981

Expertise

- Public Policy
- Redevelopment Agency Financing
- Development/Land-Secured Financing
- Economic Development
- Developer Negotiations
- Pension Financing

Education

UCIrvine

- B.A. Social Sciences

Mark Northcross, *Principal*

During a California public finance career that spans back to 1981, Mark Northcross has structured debt for nearly every kind of issuer and nearly every kind of revenue source legally available in the State.

Mr. Northcross is also a specialist in utility revenue financings, particularly for water and sewer utilities. He has structured about 80 sewer and water revenue bond issues for over 30 water districts, sewer districts and cities since 1983, including private placements with commercial banks. Most recently he secured funding for severely drought impacted water utility on the central coast for a desalination plant. He has also arranged financing for two major public utilities in the midst of major litigation regarding Proposition 218, and the legality of their water rates. Projects financed include the acquisition of new water supply, water treatment plants and upgrades to newly acquired service area infrastructure.

Mr. Northcross's career has also been focused on the interface between public finance and land development. He is a leader in California in negotiating both public-private partnerships for both land secured debt and redevelopment. He has negotiated public-private partnerships for the successful development of major mixed use projects throughout the State. Since the early-1990s, Mr. Northcross has negotiated the restructuring and workout of nearly $200 million in either defaulted or highly stressed municipal bond issues. He is also a leader in negotiating joint ventures between different public agencies – with notable success in putting together bond funded risk sharing programs for cities, counties, and school districts in California.

Over the course of his 35-year career, Mr. Northcross has structured project financings to fund the redevelopment of a 1 million square foot regional mall in West Covina, the Heavenly Village project in South Lake Tahoe, the reconstruction of downtown Santa Cruz after the Loma Prieta earthquake and development of a 300 acre+ Trade and Commerce Center in Palmdale, amongst many other project financings throughout the State. He is presently working on a financing plan for the redevelopment of Treasure Island in the Bay Area.

When not working on solutions to tough problems for his clients, Mr. Northcross serves on a variety of non-profit corporation boards. He is also a proud recipient of the Norman Bright trophy in the annual Dipsea Race, the oldest cross country foot race in the nation. Mr. Northcross is also the Treasurer of the West Point Inn Association, a non-profit that runs a 110-year-old hike-in inn in the parklands of Mt. Tamalpais. He graduated from the University of California at Irvine in 1973.

Public Finance Professional Since:

2003

Expertise

- Cities & Special Districts
- General Fund Financing
- Utility Financing
- Land-Secured Debt
- Project Management
- Financial Modeling
- Continuing Disclosure

Education

UCLA

- B.A. Economics
- Specialization in Computing

Rob Schmidt, *Vice President*

As municipal advisor, Mr. Schmidt's goal is to provide strategic, objective, financially sound solutions that meet a public agency's long-term objectives. He accomplishes this by exploring and providing a wide spectrum of financing options to ensure the integrity and accountability of the financing process.

Mr. Schmidt has served as a municipal advisor and consultant to municipalities of all shapes and sizes, including dozens of cities, counties, redevelopment agencies, special districts, and school districts, as well as private companies doing business with the public sector.

His work has covered a variety of assignments, including: strategic planning, structuring municipal bond debt, cash flow analyses, tax projections, fiscal impact analyses, development impact fee studies, budget analyses, and a multitude of consulting assignments. These assignments have required Mr. Schmidt to develop hundreds of tailor-made financial models to meet the unique needs of his diverse client base.

In addition to his advisory and analytical work, Mr. Schmidt leads NHA's continuing disclosure services division, for which he manages and/or prepares annual continuing disclosure filings for public agencies throughout California.

Before founding NHA Advisors with Craig Hill and Mark Northcross and before joining Northcross, Hill & Ach, Mr. Schmidt served as a Senior Associate and Northern California division manager for David Taussig & Associates, a public finance consulting firm, for which he formed and administered public financing districts throughout California. Prior to returning home to Northern California, Mr. Schmidt served as a consultant to numerous cities and counties in Southern California.

In his spare time, Mr. Schmidt enjoys spending time with his growing family and maintaining his status as a weekend warrior, participating in an array of competitive and recreational sports.

Public Finance Professional Since:
2003

Expertise

- General Fund Financing
- Pension Obligations
- Utility Financing
- Redevelopment Financing and Tax Increment Modeling
- Project Management
- Financial Modeling
- Credit Analysis and Presentations

Education

UC San Diego

- B.S. Management Science

Mike Meyer, *Vice President*

Since 2003, Mr. Meyer has been providing the highest level of support to California municipalities as an advisor, consultant, and an investment banker. He has worked with a wide spectrum of municipalities, including small/medium cities like Healdsburg, Beverly Hills, Burlingame, Napa, San Ramon, Suisun City, Gonzales, Corcoran, Lakeport, Arcata and Selma; as well as larger cities and enterprises such as San Francisco, Oakland, Long Beach, San Francisco Airport and the East Municipal Utility District.

Mr. Meyer has executed all types of financings available to California municipalities, including utility revenue (water/wastewater/storm drain), general fund backed leases, tax increment, general obligation, transportation, land secured, pension, and housing deals. He is experienced supporting and leading projects from origination to closing, including conducting due diligence, bond cash flow modeling, and credit analysis.

Most recently, Mr. Meyer has served as an advisor on $575 million of TABs for the Successor Agency to the Industry Urban Development Agency. This transaction secured more than $100 million of savings for taxing agencies who receive property taxes from the City's taxable parcels. NHA served as municipal advisor to the Successor Agency for over three years to design and implement this financing plan and was instrumental in helping the Agency garner "A" category underlying ratings, bond insurance, and reserve fund sureties for the majority of the deeply complex issuance, which ultimately was composed of six series of bonds, including taxable and tax-exempt and senior and subordinate lien bonds.

As the firm's resident pension expert, Mr. Meyer is also working on creative restructuring solutions for several Northern California cities in order to enhance budget predictability of their CalPERS pension payments and create near-term budgetary savings.

Prior to joining NHA Advisors, Mr. Meyer served as a Vice-President for De La Rosa and Co. Investment Bankers, where he worked on over 50 senior managed transactions totaling $1.5 billion in par from 2003 to 2011. Most recently, he served as a Principal at p2 Capital Advisors (p2CA) from 2011 to 2014, providing independent consulting and advisory work to numerous California public agencies. He joined NHA in the summer of 2014, along with fellow p2CA Principal, Eric Scriven, in order to further bolster NHA's prominence as the premiere advisor and consultant to California municipalities.

In his spare time, Mike serves as the Assistant Coach for the UC Davis Men's Tennis team and also enjoys traveling, hiking, and practicing/teaching yoga.

NHA ADVISORS LLC

Objectives, Comprehensive Scope of Services, Duties and Disclosures as Financial Consultant and Municipal Advisor

Provided to

CITY OF OXNARD, CALIFORNIA

MAY 22, 2017

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Section 1: NHA Advisors LLC

NHA provides California public agencies a full range of financial consulting and municipal advisory services. All projects start out as objective non-bond engagements to develop the best funding solution. Our "consulting" practice takes into consideration policy issues, financial constraints, taxpayer effects and overall community impact prior to any recommendation on whether a funding strategy or financing solution is appropriate. NHA's expertise includes a full range of qualifications to meet the City's needs, from assessment and community facilities district formation, developer and other stakeholder negotiations, financial fitness forecasting, CalPERS projections and re-structuring analysis, utility rate studies and 218 process oversight, public policy and political consulting, and continuing disclosure oversight. Since 2010, NHA has completed over 187 successful non-bond projects.

Section 2: Objectives of City and Consultant

From time to time, City requires expert, professional services related to financial review and analysis of various aspects of its operations and capital structure. Additionally, periodically City requires municipal advisory services with respect to ideas, advice and execution regarding financing of City projects and refinancing of existing City debt obligations. City desires NHA Advisors LLC ("Consultant") to provide such services.

Consultant shall provide a high level of customer service to City. This objective shall be accomplished through a consistent responsiveness, by all members of Consultant's team, to City communications, consistent efforts to secure data and information on behalf of City, and consistent and diligent execution upon all tasks and assignments given to Consultant by City.

Section 3: Scope of Services

Consultant will serve in the capacity of Independent Registered Municipal Advisor, Financial Consultant and Municipal Advisor to the City. Consultant will work with City staff and other parties to develop funding strategies, options for project finance and other general advice as needed by City staff.

> Independent Registered Municipal Advisor – If acting in the capacity of an Independent Registered Municipal Advisor ("IRMA") with regard to the IRMA exemption of the SEC Rule, Consultant will review all third-party recommendations submitted to Consultant in writing by the City.
>
> Financial Consulting – Consultant may apply, upon City's request, its expert research, data collection, analytics, project management and communication (written/verbal/public presentations) skills to deliver information and results that City requires. Certain assignments, if they relate in any way to outstanding publicly offered municipal debt, may also be considered municipal advisory work (e.g. continuing disclosure, credit rating management consulting, etc.); however, this work may also fall under consulting if no transaction is imminent. A sampling of

recent, successfully delivered assignments include, but is not limited to, the following types of projects and/or deliverables:

General Financial Consulting Assistance

Assisting the City with development of strategic financial plans for funding long-term operating, debt service, and capital needs (evaluating the capital needs of the City and the revenue available to finance those needs). This shall include, upon request of City, collecting data from City and external sources, developing financial models and presentation materials as required to educate internal and external stakeholders of the City.

Review City's existing indebtedness (including short-term debt, private loans), evaluate for refinancing opportunities. Respond to ad-hoc inquiries from City as to options for financing.

Financial Risk or Fiscal Sustainability Assessment

Long-term financial forecast modeling with specific focus upon threats and opportunities currently or potentially present that can substantially impact City ability to carry-out its core functions.

CalPERS Review & Forecasting

Provide data, research and advisory services with respect to City's CalPERS retirement programs. Consultant is not an actuary and advises that for precision on certain assignments, that an actuary be retained; however, Consultant can provide financial modeling, education materials and reports and presentations to provide staff and elected officials (and other stakeholders) an unbiased, third-party discussion of the changes and their impacts which can be an essential element to proper planning and assisting in determining potential options going-forward.

City Utility Review & Forecasting

Provide data, research and advice on recent trends with respect to utility (i.e. water, storm, wastewater, etc.) finance and regulatory matters. Rate sufficiency or other limited consulting assignments are provided. NHA is not a rate consultant and advises a specialist in this field for those requirements.

"Extension of Staff" Services

Provide, upon request, certain "extension of staff" services such as assistance with request for proposals development and procurement of services such as rate, fee, and enterprise valuation studies.

Financial Policy Assistance

Make recommendations and provide implementation assistance upon public policy related to capital projects, reserve levels and allocation of funds.

Financial Modeling/Quantitative Analysis

Provide modeling and analysis as required to project financial impact on fund balances for capital projects, budget projections or other financial projects as requested by City staff.

Strategic Capital Planning

•Review proposed development plans for public infrastructure requirement or other possible financeable components. Develop initial funding model and tax impact of potential bond financing.

Energy ”Green” Projects

Provide data, research and advice on current trends with respect to renewable energy finance, technology and regulatory matters. Develop funding options for energy projects (solar, battery storage). Review, evaluate, advise upon purchase or power purchase options. Develop PACE (property assessed clean energy) policy and program recommendations. Review, evaluate, advise upon proposals presented to City by contractors and vendors.

Public-Private Partnerships (P3)

Work with City staff to identify viable projects for P3 development approach. Provide strategic recommendations on P3 policies. Assist in or Manage RFP for P3 partners. Review, evaluate, advise upon proposals (solicited and unsolicited) from P3 entities. Provide comparative analysis for P3 to City-funded solution for projects.

New Development Finance

Review proposed development plans for public infrastructure requirement or other possible financeable components. Develop initial funding model and tax impact of potential bond financing. Work with City staff and property owner(s) to understand financial impact of project scoping on future property tax collections. Develop non-capital (services) funding vehicle if requested by City. Work with City staff, consultants and property owner to develop funding agreement.

Consultant may also serve in lead or supporting role in development agreement negotiation with developer(s) / landowner(s) to secure City’s goals with respect to timing and nature of the projects to be funded through such means.

CFD / Assessment District Formation Project Management

Coordinate and lead all parties, on City’s behalf, to create the necessary policies, numerical underpinnings / allocations, legal documentation to form the type of district (CFD or Assessment) that can serve as the basis for a bond financing—or on-going maintenance/services revenue—to fund the public amenities, improvements and infrastructure.

Subsidized Loan / Grant Programs

Provide data, research, advice and, when requested, project management services with respect to securing State, Federal and other subsidized loans and grants.

Redevelopment/In-Fill Project Financing (Private or Public Projects)

Work with City staff to identify projects that require funding source. Evaluate options for funding capital project. Make recommendations for alternatives including identified existing funds, projected revenue generation from redevelopment of property and/or community-supported revenue measure analysis. Assist with outside expertise selection (if required). Present recommendations to City Council or others as requested.

Voter Approved, Pre-Election Assistance

Provide data, research and project management assistance to develop the information necessary to craft a ballot question that can be successfully be put to the voters for the review and approval.

Credit Rating Management / Investor Outreach

Lead and/or provide assistance to develop presentation materials and strategic interactions with credit rating analysts, credit enhancers, banks and other credit market participants to enhance external view of City's financial position.

Continuing Disclosure Design / Maintenance

Assist in appropriate disclosure for annual financial reporting (including additions to annual Comprehensive Annual Financial Report).

Municipal Advisory

Per SEC rules, all advisory work conducted which relates in any way with existing, or contemplated issuance of new municipal debt shall be performed by a municipal advisor as defined by the SEC.

Bond Types

In the context of NHA's scope of services, NHA will assist with structuring of financings (or restructuring) for projects through the issuance of <u>bonds</u>, <u>certificates of participation</u>, <u>bank loans,</u> <u>lines of credit</u>, and <u>state or federal grant loan program</u>s (or other feasible funding mechanisms), providing independent advice that enables the City to finance projects at the most favorable terms.

Sources of Funds / Security

Such municipal transaction may be secured by a variety of funding sources such as, but not limited to, tax and revenue anticipation, bond issuance anticipation, grant receipt anticipation, general obligation property tax levy, lease revenue, installment sale agreement, redevelopment property tax trust fund revenue, special tax revenue, assessment revenue, water fund revenue, sewer revenue, parking revenue, storm drain fund revenue, sales tax revenue, solid waste fund revenue.

Methods of Debt Placement / Sale

Consultant shall provide research, advice and recommendations with respect to most optimal methods of debt placement including, private placement, public offering or securing alternative methods such as state/federal subsidized loans and grants, public-private partnering, social impact investments or performance-based funding sources.

Consultant will provide research, advice and recommendations, as well as coordinate all aspects of execution, with respect to proper method of sale including competitive bid, negotiated sale or some hybrid deemed as most advantageous to the City.

Transaction Management / Services

Consultant operates with the guiding principal that we will "do what it takes" to ensure that, once entrusted with the responsibility to execute a project and secure our clients' objectives, we will deploy our firm's talent and resources to make that happen. Consultant, acting in the municipal advisor role, will act as the project manager and be the City's "quarterback" to assemble and then constantly coordinate all members of the financing team to stay on track to efficiently and effectively complete the project. NHA will monitor all aspects of a transaction including legal review, financial analyses, provide or lead efforts to draft staff reports and other memoranda, and generally either assemble the experts to complete tasks where needed or complete that task ourselves.

- Working with the underwriter and members of the City's financial team. Such tasks shall include independent analysis of all numerical analyses and recommendations.
- Working with disclosure counsel to prepare the draft Official Statement. Such work shall be assistance of data collection, review of same and review of draft official statements to ensure accuracy.
- Interacting with credit rating agencies and credit enhancement providers. Such work shall include coordinating all data collection, managing the construction of the credit presentation document and leading the development of the strategic approach to delivering presentation to credit rating agencies, enhancement providers and potential other users of credit materials.
- In a competitive sale, sending the Notice of Sale and Preliminary Official Statement to potential underwriters and investors.
- In a competitive sale, analyzing, confirming accuracy and making recommendation on underwriting bids.
- In a negotiated sale, providing a "pricing opinion" to the City.
- Identifying appropriate investments for bond proceeds.
- Identifying and facilitating refinancing and refunding of bond issuances including the following tasks:
    - Monitoring the feasibility and opportunities to refinance and restructure the City's existing debt to reduce costs to meet its financial objectives.

  - Providing as-needed financial advice regarding market conditions and trends, financial products, credit and credit analysis, third party alternative financing.
- Presenting information to rating agencies on behalf of the City as needed.
- When required, preparing, analyzing, summarizing and making recommendations upon Requests for Proposals (RFPS) for additional services needed to facilitate a bond refinancing, call or issuance.
- Attend meetings of the City and its staff on an as-needed basis. Make presentations to City Council or subcommittees of the City Council.
- Coordinating and participating in all aspects of the bond issuance process, from creating and maintaining a schedule, assisting with the preparation of staff reports and resolutions, conducting independent analysis of financing alternatives, reviewing all aspects of negotiated pricings, monitoring performance of underwriting teams, to post-issuance analysis and all tasks during the process.
  - Upon request, NHA shall create, maintain and manage all aspects of related projects to a bond issuance. For example, with respect to a Community Facilities District bond financing, NHA shall prepare and coordinate all parties as to specific tasks relating to formation and due diligence activities related to that bond issuance.
- Coordinate the timing and process of the bond issuance with bond counsel and other participants.
- Managing such matters as bond registration, printing, investment of proceeds and other matters related to the settlement and delivery of bonds and notes.
- Assisting with negotiating financing Agreements with private landowners, developers and their representatives. This assistance shall include, when related to formation of, and financing through a CFD, review of, and understanding of City's needs with respect to numerous CFD policy questions such as inflators, financing impact fees, tax levy duration, required annual services component, back-up levies for HOA's, total combined tax levy limitations, sequencing of CFD financing public improvements vs. developer construction schedule, vacant land tax terms, and other considerations.
- Providing other financial services as requested, including:
  - Provide data, research and advice with respect to continuing disclosure matters.
  - Provide Post-Closing Report on all transactions that shall supplement Bond Counsel's Transcript. Such Report shall include relevant aspects of the transaction that are not necessarily found within the Transcript, but which are useful to have as a supplemental record, in consolidated form, within the Finance Department's files. Such Report, may, but not be limited to contain relevant staff reports, RFP/Q and recommendations, other supporting memoranda, credit presentations, underwriter bond pricing materials and due diligence record.

NHA takes a hands-on approach to the planning portion of every project and has developed an internal process that applies the talents of each NHA staff member to provide efficient and critical skills to the financing process. NHA strives to deliver a level of service that far exceeds what the City has envisioned. The "Bottom Line:" NHA will go above and beyond the scope provided in a typical municipal advisory role to ensure that the City secures its goals and objectives.

Post-Transaction / Other MA Services

NHA shall provide other services as requested and required in its role as municipal advisor to the City. Such services may include transaction related research, advice and execution upon tasks related to continuing disclosure, credit rating maintenance, use of bond proceeds, arbitrage / rebate calculation and compliance, compliance with other bond covenants, and investor relations.

Section 5: G-42 Disclosure of Conflicts of Interest and Legal or Disciplinary Events

Pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-42, on Duties of Non- Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary events of NHA Advisors, LLC ("NHA") and its associated persons.

Conflicts of Interest

In connection with the issuance of municipal securities, NHA may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, NHA hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding NHA's ability to provide unbiased advice to enter into such transaction. This potential conflict of interest will not impair NHA's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer. If NHA becomes aware of any additional potential or actual conflict of interest after this disclosure, NHA will disclose the detailed information in writing to the Issuer in a timely manner.

Legal or Disciplinary Events

NHA does not have any legal events or disciplinary history on NHA's Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Issuer may electronically access NHA's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: www.sec.gov/edgar/searchedgar/companysearch.html.

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against NHA, NHA will provide complete disclosure to the Issuer in detail allowing the Issuer to evaluate NHA, its management and personnel.

Section 6: Additional Consultant Statements & Certifications

NHA, and each of its municipal advisors, are registered with the SEC and MSRB. In addition, NHA is registered with the Secretary of State to conduct business in the State of California.

NO BROKER-DEALER AFFILIATION. NHA has no affiliation, ownership or relationship with any broker-dealer. NHA abides by all the new rules for Independent Registered Municipal Advisors, which includes not allowing for finder's fees, fee splitting, payments to consultants, or other contractual arrangements that present either a real or perceived conflict of interest.

NO LITIGATION STATEMENT. NHA has no pending litigation or investigations from the Justice Department, SEC, FINRA, NASD, MSRB, or other regulatory agencies and is not aware of any pending potential projects subject to litigation or investigations. NHA has no known current potential conflicts with the City or neighboring communities and has never been disqualified from a selection process.

PROFESSIONAL LICENSES IN GOOD STANDING. NHA certifies that neither the firm nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal, State or local department or agency. In addition, NHA has no record of unsatisfactory performance as evidence by complaints filed with the SEC, or any other Federal or State agencies with jurisdiction over the services provided by the firm.

In addition, NHA holds all necessary professional liability and other insurance policies required to do business with the City and can provide a Certificate of Insurance upon request.

ISSUANCE INDEPENDENCE. NHA certifies that the firm will not participate in any activities that directly pertain to the underwriting or, purchasing of any financing debt or bonds issued by the City or its affiliates, while contracted for services as a Municipal Advisor by the City.

EXCLUSION OF AFFILIATES. NHA certifies that while contracted as a Municipal Advisor to the City, all person(s), entities, affiliated companies, subsidiaries, partners, and contracted companies that have an established affiliation to NHA will not be involved in any aspect either directly or indirectly in the purchase, underwriting or financing of any future debt transitions that may be issued by the City.

STATEMENT OF OWNERSHIP. NHA Advisors, LLC is an independently-owned Municipal Advisor/Independent Registered Municipal Advisor structured as a partnership and limited liability company. The partners of NHA are not involved in any business or business activities that are separate from NHA and which may be represented in this proposal. NHA does not have any affiliated, subsidiaries, parent and sister companies.

Section 7: NHA Advisors LLC Form of Certificate of Liability Insurance Coverages

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 03/29/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Phone: (858) 350-0555 Fax: (858) 350-0556
K T L BUSINESS INSURANCE SERVICES, INC.
322 8TH STREET SUITE # 101
DEL MAR CA 92014
Agency Lic#: CA # 0D86601

CONTACT NAME: K T L Business Insurance Services, Inc.
PHONE (A/C, No, Ext): (858) 350-0555 FAX (A/C, No): (858) 350-0556
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Sentinel Insurance Co., Ltd	11000
INSURER B : PHILADELPHIA INDEMNITY INSURANCE CO	18058
INSURER C :	
INSURER D:	
INSURER E :	
INSURER F :	

INSURED
NHA ADVISORS, LLC
4040 CIVIC CENTER DR STE 200
SAN RAFAEL CA 94903

COVERAGES CERTIFICATE NUMBER: 71494 REVISION NUMBER:

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.

INSR LTR	TYPE OF INSURANCE	ADD'L INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC			72SBMAK4728	02/01/17	02/01/18	EACH OCCURRENCE	$ 2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurence)	$ 1,000,000
							MED. EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 2,000,000
							GENERAL AGGREGATE	$ 4,000,000
							PRODUCTS - COMP/OP AGG	$ 4,000,000
								$
A	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			72SBMAK4728	02/01/17	02/01/18	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (per accident)	$
								$
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE	$
							AGGREGATE	$
								$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					WC STATU-TORY LIMITS / OTH-ER	
							E.L. EACH ACCIDENT	$
							E.L. DISEASE-EA EMPLOYEE	$
							E.L. DISEASE-POLICY LIMIT	$
B	Professional Liability/ Errors & Omissions			PHSD916871	02/06/17	02/06/18	EACH CLAIM	$1,000,000
							AGGREGATE	$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

PROOF OF COVERAGES ONLY

CERTIFICATE HOLDER

FOR INFORMATIONAL PUROSES ONLY

Attention:

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Kevin Levine

ACORD 25 (2010/05)

Section 8: NHA Advisors LLC W-9 (NHA Tax Identification Form)

Form **W-9** (Rev. December 2014) Department of the Treasury Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type. See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
NHA Advisors, LLC

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☑ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ P
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
4040 Civic Center Drive, Ste. 200 PMB #41

Requester's name and address (optional)

6 City, state, and ZIP code
San Rafael, CA 94903

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

or

Employer identification number
4 5 - 1 6 3 3 0 3 8

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here **Signature of U.S. person ▶** [signature] **Date ▶** 12/5/16

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? *on page 2.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Cat. No. 10231X Form **W-9** (Rev. 12-2014)

Section 9: Workers' Compensation Declaration

DECLARATION AND ADDENDUM TO ALL CONTRACTS AWARDED TO:

NHA Advisors, LLC

For the purpose of inducing the City of Oxnard to go forward with any contracts awarded to *NHA Advisors, LLC*, I declare as follows:

I, Gerald Craig Hill, Managing Principal, am authorized to execute this document on behalf of NHA Advisors, LLC with respect to compliance with the California Workers' Compensation and Labor laws. All work required will be performed personally and solely by volunteers of NHA Advisors, LLC, who are independent contractors. If, however, NHA Advisors, LLC shall ever be required to hire employees or Subcontractors to perform this contract, NHA Advisors, LLC shall obtain Workers' Compensation Insurance and/or provide proof of Workers' Compensation Insurance coverage to the City of Oxnard.

This document constitutes a declaration by NHA Advisors, LLC against its financial interest, relative to any claims which may be asserted under the California Workers' Compensation and/or Labor laws against the City of Oxnard relating to any bid or contract awarded NHA Advisors, LLC.

NHA Advisors, LLC will defend, indemnify, and hold harmless the City of Oxnard, its officers and employees, from any and all claims and liability, including Workers' Compensation claims and liability that may be asserted or established by any party in the event it hires an employee in violation of this addendum or if a volunteer of the organization makes a claim against or alleges liability of the City of Oxnard for Workers' Compensation, and it will further indemnify the City of Oxnard, its officers and employees, for all damages the City thereby suffers.

I agree that these declarations shall constitute an addendum to any bid or contract awarded to: *NHA Advisors, LLC*.

Dated: May 22, 2017

NHA ADVISORS, LLC

GCH

By: ____________________
Gerald Craig Hill
Managing Principal

**SB 1029 (Hertzberg) California Debt and Investment Advisory Commission Accountability Reports
Chapter 307, Statutes of 2016**

SB 1029, sponsored by State Treasurer John Chiang, mandates tracking of state and local government borrowing and spending of bond proceeds in effort to increase transparency and improve public knowledge. According to the author and sponsor, this measure resulted from the recommendations of the Treasurer's Task Force on Bond Accountability, which was tasked with identifying best practices for tracking bond proceeds. The information gathered through the provisions of SB 1029 will populate the Treasurer's new online tool, Debt Watch, a transparency tool designed to enable taxpayers and the media to access debt data on California's 4,200 units of local government.

The California Debt and Investment Advisory Commission (CDIAC) operates as a part of the State Treasurer's Office, has nine members, including the State Treasurer, the Governor or the Director of Finance, the State Controller, two local government finance officials, two Assembly Members, and two Senators. CDIAC collects, maintains, provides comprehensive information on all state and local debt authorization and issuance, and serves as a statistical clearinghouse for all state and local debt issues. Currently, state and local government debt issuers must submit several types of reports containing information about debt issuance to CDIAC.

SB 1029, as signed by Governor Brown, requires state and local government debt issuers to report to the California Debt and Investment Advisory Commission (CDIAC) specified information about proposed and outstanding debt. Specifically, this measure requires:

Local Debt Policies
SB 1029 requires that a report of proposed debt issuance submitted to CDIAC, no later than 30 days prior to the sale, must include a certification by the issuer that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with those local debt policies. While failure to submit the report will not affect the validity of the sale, a local debt policy must be included and detail:

- The purposes for which the debt proceeds may be used.
- The types of debt that may be issued.
- The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
- Policy goals related to the issuer's planning goals and objectives.
- Internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

The measure provides local control over the timeline and mechanism for adopting local debt policies.

SB 1029 also provides that a bond issuer, that issues bonds on behalf of another governmental entity, may rely upon a certification from that other governmental entity that it has adopted debt policies.

Reporting Requirements

Report of Final Sale
This measure requires that when a state or local government issues debts, it must submit a report of final sale to CDIAC no later than 21 days after the sale. The measure reserves the right of CDIAC to request specific information be included in the report of final sale that it deems appropriate, however, confidential information may be redacted.

Annual Report
This measure requires any state or local government debt issuer to provide an annual report to CDIAC for any issue of debt for which the issuer has submitted a report of final sale on or after January 21, 2017. The annual report must cover a reporting period from July 1 to June 30 and must be submitted no later than seven months after the end of the reporting period by any method approved by CDIAC.

SB 1029 specifically requires that the annual report must consist of the following information:

- **Debt authorized during the reporting period, which must include:**
  - Debt authorized at the beginning of the reporting period.
  - Debt authorized and issued during the reporting period.
  - Debt authorized but not issued at the end of the reporting period.
  - Debt authority that has lapsed during the reporting period.
- **Debt outstanding during the reporting period, which must include:**
  - Principal balance at the beginning of the reporting period.
  - Principal paid during the reporting period.
  - Principal outstanding at the end of the reporting period.
- **The use of proceeds of issued debt during the reporting period, which must include:**
  - Debt proceeds available at the beginning of the reporting period.
  - Proceeds spent during the reporting period and the purposes for which it was spent.
  - Debt proceeds remaining at the end of the reporting period.

Compliance with the annual reporting requirement is required for each issue of debt with outstanding debt, debt that has been authorized but not issued, or both during the reporting period.

CDIAC must consult with appropriate state and local debt issuers and organizations representing debt issuers for purposes that include making a proposed reporting method more efficient and less burdensome for issuers.

MSRB

SEC Rule 15c2-12: Continuing Disclosure

What is Continuing Disclosure?

Continuing disclosure consists of important information about a municipal bond that arises after the initial issuance of the bonds. This information generally reflects the financial health or operating condition of the state or local government as it changes over time, or the occurrence of specific events that can have an impact on key features of the bonds.

SEC Rule 15c2-12 ensures municipal securities issuers enter into agreements to provide certain information to the MSRB about their securities on an ongoing basis.

SEC Rule 15c2-12

Securities and Exchange Commission (SEC) Rule 15c2-12 requires dealers, when underwriting certain types of municipal securities, to ensure that the state or local government issuing the bonds enters into an agreement to provide certain information to the Municipal Securities Rulemaking Board (MSRB) about the securities on an ongoing basis. Such continuing disclosure agreements for new issues after December 2010 normally require the following:

Annual Financial Information

- Financial information and operating data provided by state or local government or other obligated persons
- Audited financial statements for state or local government or other obligated persons, if available

Event Notices

- Principal and interest payment delinquencies
- Non-payment related defaults
- Unscheduled draws on debt service reserves reflecting financial difficulties
- Unscheduled draws on credit enhancements reflecting financial difficulties
- Substitution of credit or liquidity providers, or their failure to perform
- Adverse tax opinions or events affecting the tax-exempt status of the security
- Modifications to rights of security holders
- Bond calls and tender offers
- Defeasances
- Release, substitution or sale of property securing repayment of the securities
- Rating changes
- Bankruptcy, insolvency or receivership
- Merger, acquisition or sale of all issuer assets
- Appointment of successor trustee

Subscribe to issuer education and EMMA email updates from the MSRB.

Timeframes for Submitting Disclosures

In most cases, state or local governments or obligated persons must submit annual disclosures on or before the date specified in the continuing disclosure agreement or provide notice of failure to do so to the MSRB through the [Electronic Municipal Market Access (EMMA®) website](). Disclosure of events for new issues after December 2010 must be submitted to EMMA within 10 business days of the event.

Exemptions from Rule 15c2-12

Continuing disclosure generally is not required for an issue if:

- The entire issue is for less than $1 million
- The bonds are sold to investors in units of no less than $100,000 and are sold to no more than 35 sophisticated investors
- The bonds are sold in $100,000 minimum denominations and mature in nine months or less from initial issuance
- The bonds were issued prior to July 1995 (or prior to December 1, 2010 for certain "puttable" securities.)

Locating Continuing Disclosure Information

The MSRB's EMMA website publicly displays continuing disclosure information submitted since July 1, 2009, as part of the MSRB's mission to provide access to key municipal market information. The EMMA website also displays market transparency data and educational materials about the municipal securities market.

MSRB Support

Phone:
202-838-1330
Hours:
7:30 a.m. – 6:30 p.m. ET

Email:
MSRBSupport@msrb.org
Hours:
7:00 a.m. – 7:00 p.m. ET

Subscribe to issuer education and EMMA email updates from the MSRB.

REQUEST FOR BUDGET APPROPRIATION

Department: Finance **Date:** September 27, 2017

Project/Program Manager: Jim Throop **Phone:** (805) 385-7461

Reason for Appropriation:

To provide funding for NHA Advisors for financial advisory services relating to financial analysis and professional services associated with management and issuance of the long-term debt of the City of Oxnard and any other financial analysis and assistance as deemed needed for FY2017-18.

Accounts and Descriptions			AMOUNT
Fund: GENERAL FUND (101)			
Expenditures/Transfers Out			
	FINANCE ADMINISTRATION (1600)		
(2)	101-1600-801.82-09	CONTRACTUAL SERVICES / SERVICES-OTHER PROF/COI	50,000
		Sub-total Expenditures	50,000
		Net Change to Fund Balance	**(50,000)**
Fund: WATER OPERATING FUND (601)			
Expenditures/Transfers Out			
	PROCUREMENT/ADMIN & OPER (6010)		
(1)	601-6010-842.82-09	CONTRACTS & SERVICES / SERVICES - AUDIT	20,000
		Sub-total Expenditures	20,000
		Net Change to Fund Balance	**(20,000)**
Fund: W/W COLLECTION OPERATING (611)			
Expenditures/Transfers Out			
	SOURCE CONTROL/SERVICES (6101)		
(1)	611-6101-842.82-03	CONTRACTS & SERVICES / SERVICES - AUDIT	20,000
		Sub-total Expenditures	20,000
		Net Change to Fund Balance	**(20,000)**
Fund: SOLID WASTE OPERATING (631)			
Expenditures/Transfers Out			
	ADMIN & OPERATIONS (6301)		
(1)	631-6301-842.82-03	CONTRACTS & SERVICES / SERVICES - AUDIT	10,000
		Sub-total Expenditures	10,000
		Net Change to Fund Balance	**(10,000)**
		Net Appropriation Change	**100,000**

Approvals

Department Director ____________________

Chief Financial Officer ____________________

City Manager ____________________ ACM

BA# (Finance Use Only)______________

BA Doc# (Finance Use Only)

REQUIRES CITY COUNCIL AUTHORIZATION

Revi

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CITY OF OXNARD CALIFORNIA	CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Report AGENDA ITEM NO.: 3

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Keith Brooks
IT Director

SUBJECT: Enterprise Resource Planning Specification & Procurement Project Update (10/15/15)

CONTACT: Keith Brooks, IT Director
Keith.Brooks@Oxnard.org, 385-7597

RECOMMENDATION:

That City Council: 1. Receive a status update report on the Enterprise Resource Planning Specification and Procurement project; and 2. Authorize the City to release a Request for Proposal for the replacement of the Enterprise Resource Planning system.

BACKGROUND

Enterprise Resource Planning (ERP) is the set of technology systems that provide the foundational framework for nearly all City functions. e.g. Core Financials, Human Resources, Utility Billing, Land Management, Permits, Work Orders, Assets and 311.

Components of our Land Management system were first purchased in 1988 and do not include basic features required of a modern system like online permitting and scheduling.

The Core Financial System was installed in 1998 and, according to the subject matter experts who wrote our Information Technology Master Plan and ERP Alternatives Analysis report (10/2015), our current system is almost ineffective as an application since it is constrained both in terms of technological capabilities and user effectiveness.

The current core financial system is missing many of the facets required in a modern finance office. The following are some key deficiencies in the current system:

1. Current system is completely manual in almost every process
2. No ability to create dashboards for Council, City Management, and Departments that quickly and easily translate current financial standing in easily readable reports and graphics
3. No transparency module for the citizens to review financial performance
4. No workflow for any portion of the system, such as for Purchase Order approval
5. Report creation requires programming skills or vendor must create custom reports at an additional cost
6. No ability to create CAFR ready reports for annual audit
7. No budgeting module
8. No drill-down capability, or ability to scan and attach contracts, invoices, checks, etc. to each posting

These deficiencies create redundant work, limit financial reporting and limit the flexibility of the finance staff by forcing them to rely on an outdated system. New ERP systems will be able to do all of the above, plus much more, with automation, workflow improvements, security, and transparency.

In addition, the Public Works Integrated Master Plan (12/2015) recommends replacement of the Assets component of our ERP system in the form of a new Computerized Maintenance Management System that integrates engineering, operations and Finance.

All of the subject matter experts we have engaged, along with the majority of those with teams utilizing them in-house, have recommended replacement of our current systems with modern integrated ones.

The remaining ERP functions like Human Resources, Utility Billing, Land Management, Permits and Work Orders are an assemblage of disparate and disconnected systems that are not an integral part of our ERP system. The functions of those components are met by using features from smaller applications and home-built databases and spreadsheets.

The goal is for the City to select a set of best of breed ERP solutions that will integrate to serve as a single set of efficient systems that better serve the public and improve staff efficiencies.

In November 2016, Council approved funding for the Enterprise Resource Planning (ERP) Specification and Procurement project to replace our ERP system. In March of 2017, Council approved the contract with Sciens consulting to complete the Request for Proposal (RFP) phase of this project. On July 12, staff presented an update on this project to the Fiscal Policy Task

Force. That presentation is attached for reference.

Between March and July, IT, in conjunction with Sciens subject matter experts, conducted a series of focused interviews with City staff from all Departments to document the business requirements for inclusion in the RFP.

The RFP is now created and ready for release.

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.

Objective 1a. Ensure the 128 recommendations outlined in the organizational assessment are implemented through the 3 phased implementation action plans adopted by Council in July, 2015 and provide periodic reports to Council on the status of the implementation plans.

FINANCIAL IMPACT

There is no financial impact for this phase of the project. The contract with consultant firm Sciens covers this work. Staff will prepare options for financing the new information management system. The results from the request-for-proposals will be used to evaluate and determine the best financial arrangement for the city. New software subscription agreements (for "cloud" based solutions) would be viewed as an annual operating expenditure while license agreements for software residing on city hardware may require substantial upfront payments.

ATTACHMENTS:

Attachment A - ERP Specification & Procurement Project Update to FPTF 071217

Attachment B - City Council ERP Specification & Procurement Project Update 10-3-17

L.3.a

Enterprise Resource Planning

Specification & Procurement Project Update

(Presented by Jim Throop and Keith Brooks to Fiscal Policy Task Force July 12, 2017)

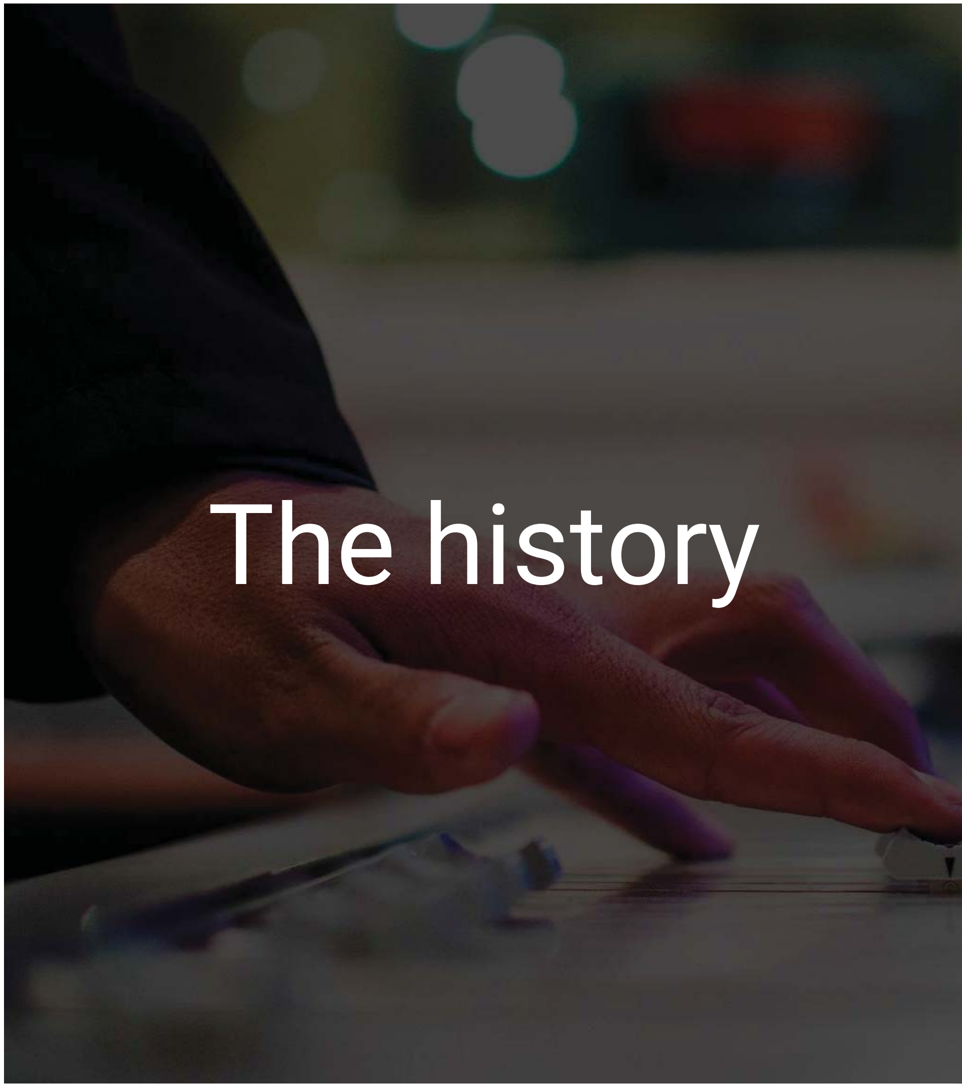
(ERP)

L.3.a

What is ERP?

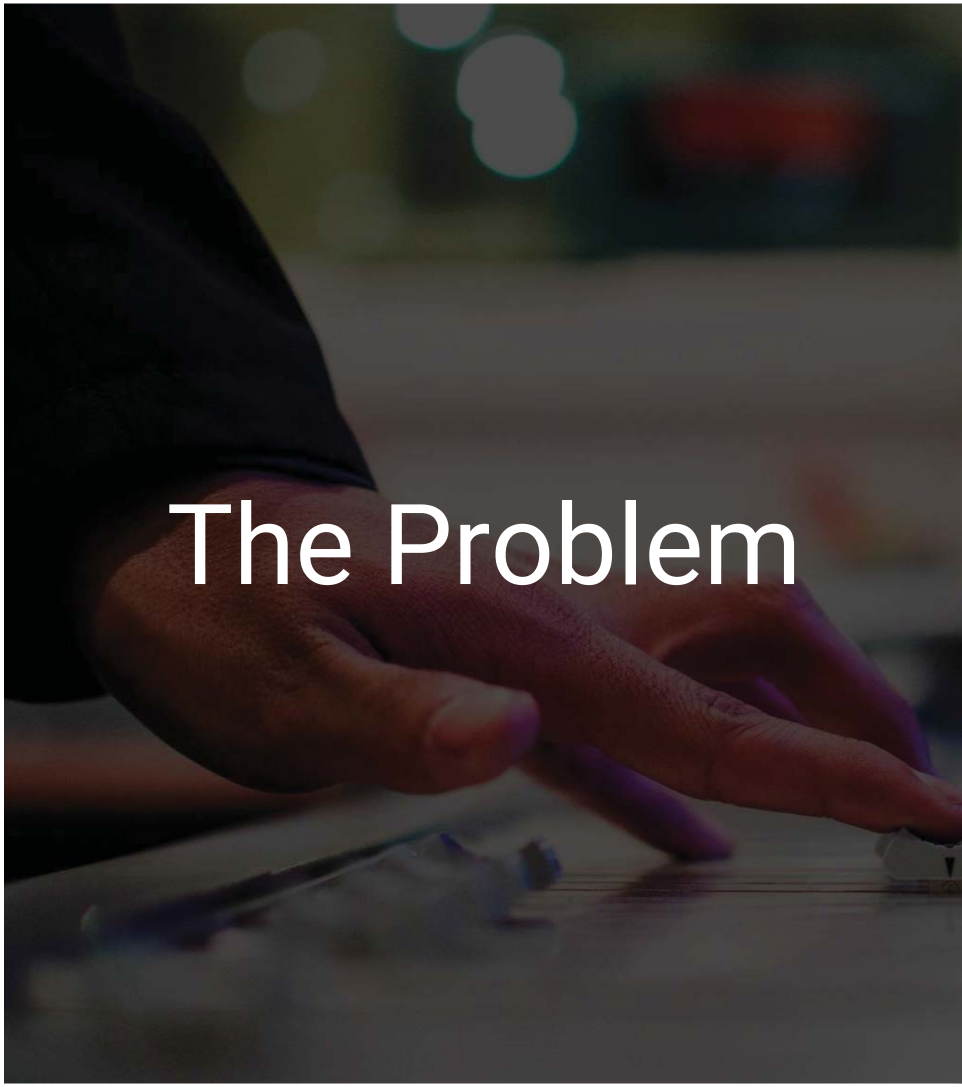
Technology systems that provide the foundational framework for nearly all City functions.

e.g. Core Financials, HR, Utility Billing, Land Management, Permits, Work Orders, Assets and 311



- 1989 (28 yrs ago) - HTE Purchased
- July 2015 - Council Received ERP Alternatives Analysis Report recommending replacement
- November 2016 - Council approved funding for ERP Request for Proposal (RFP)
- July 2017 - RFP created and ready for release

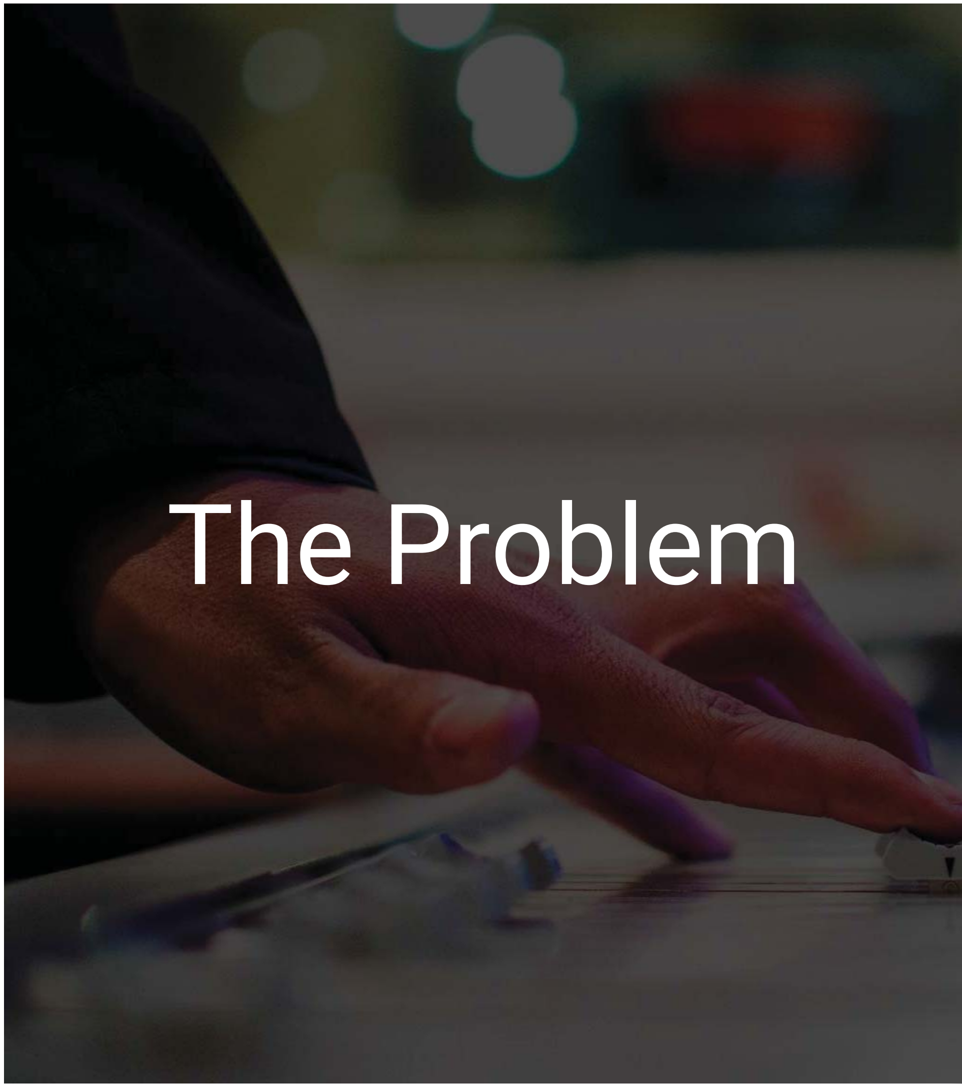
L.3.a



The Problem

HTE has been in place for almost 30 years and has now become obsolete. Many cities are replacing it with new ERP systems that take advantage of current technologies to streamline processes, create better access to information, increase productivity, and improve decision making.

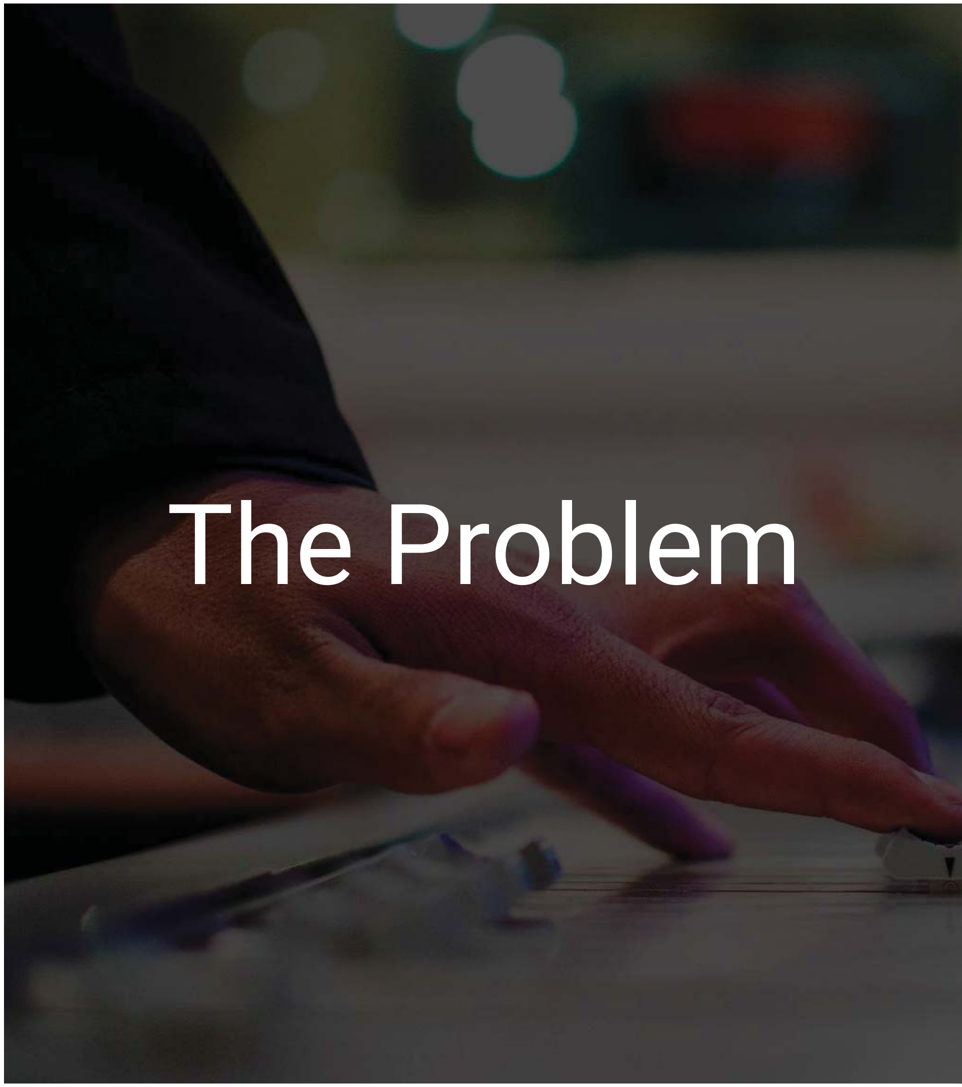
L.3.a



The Problem

Since being implemented in Oxnard, HTE was purchased by SunGard, then sold twice more, and recently renamed Superion.

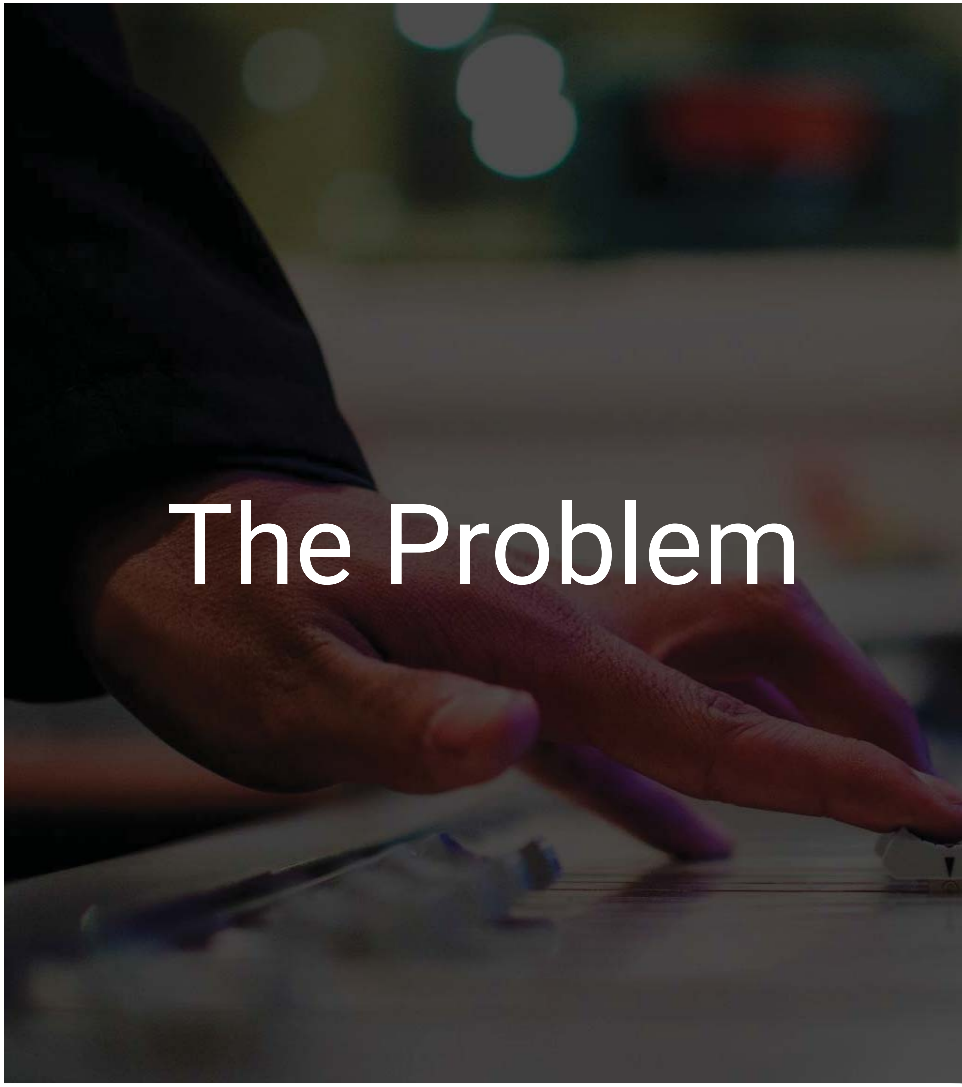
L.3.a



The Problem

Superion continues to provide maintenance and support; however, ongoing investments into research and development appear to be minimal, and the solution does not appear to be marketed any longer.

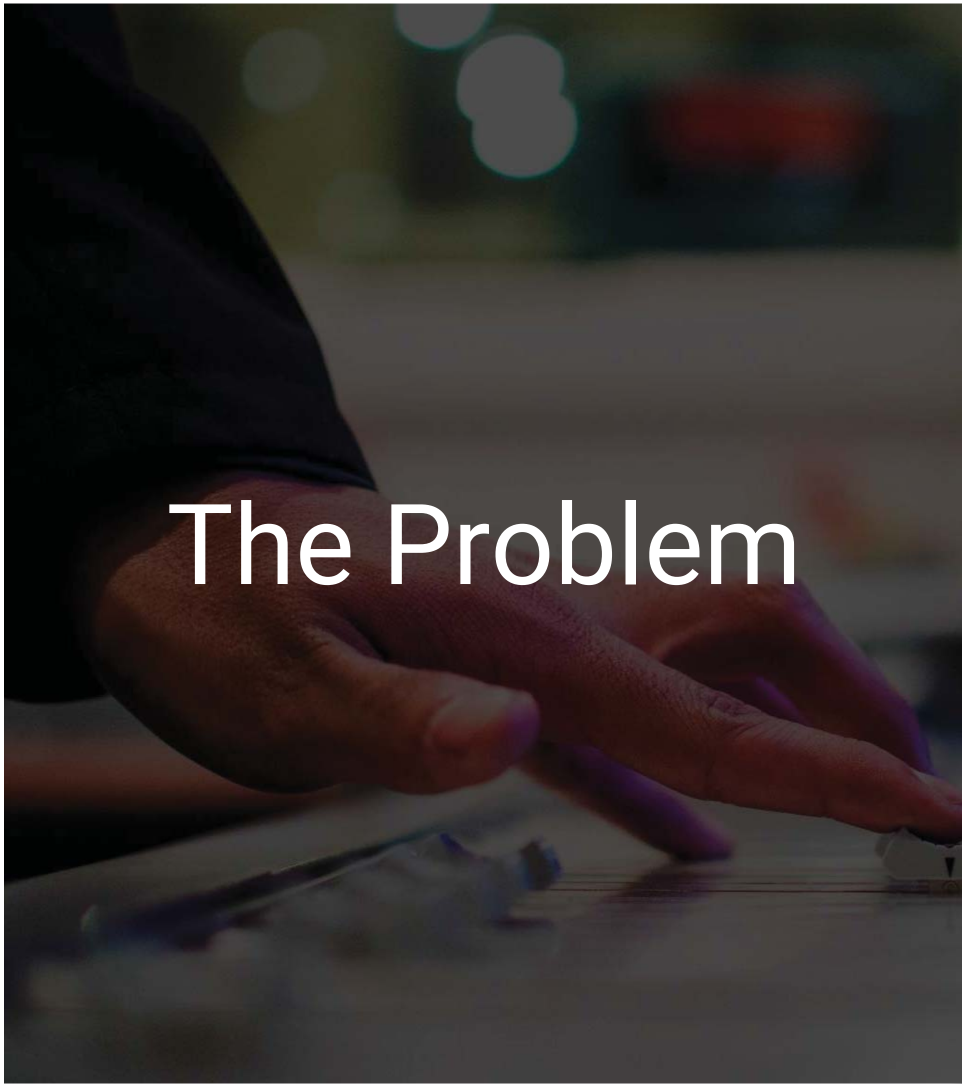
L.3.a



Compared with a modern ERP system, the HTE system as an application is almost ineffective. It is constrained both in terms of technological capabilities and user effectiveness.

Prior City ERP Consultant

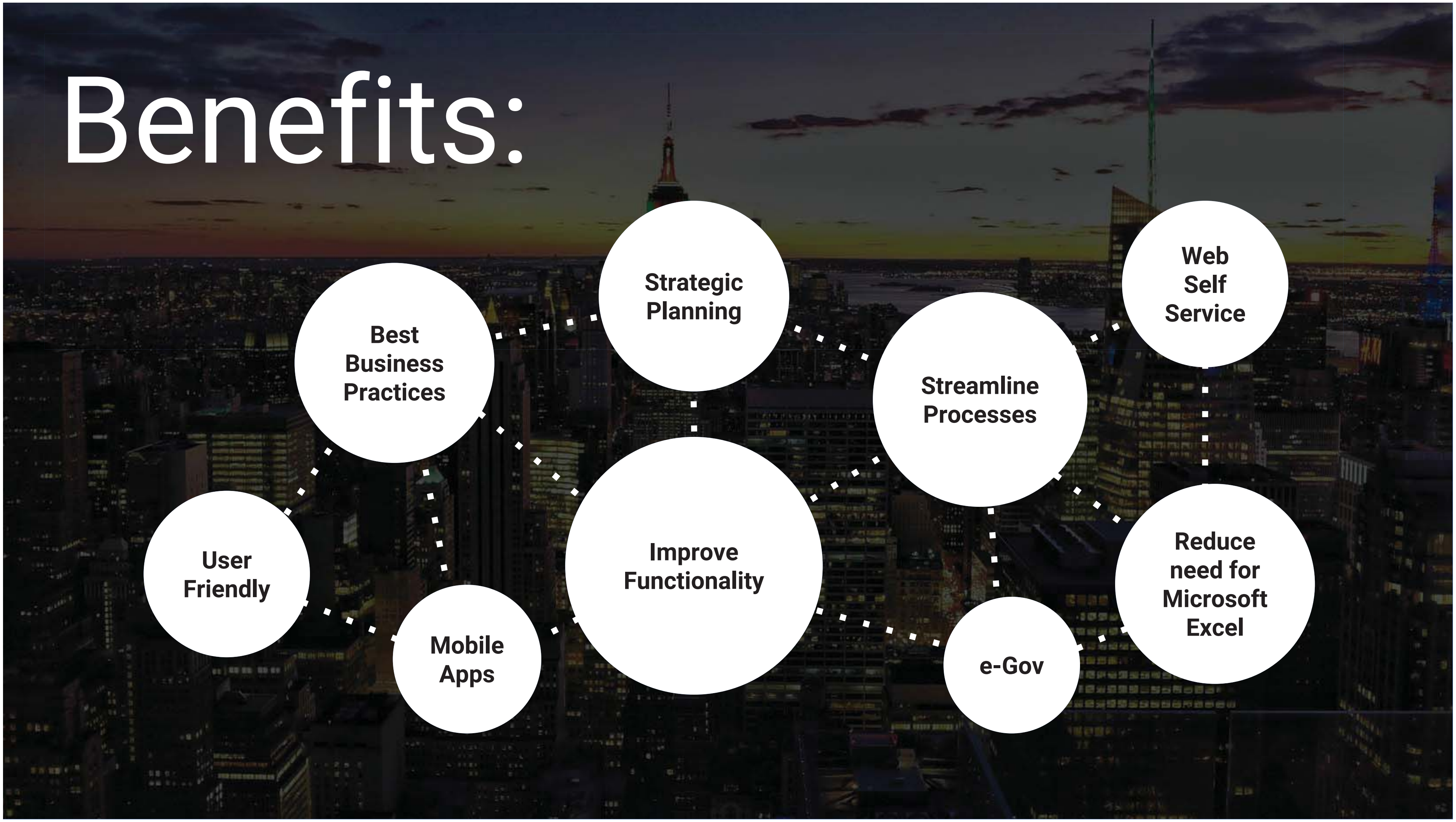
L.3.a



The Problem

Even if the HTE system was fully leveraged, it still does not provide the full value that a modern ERP system is capable of providing.

L.3.a


Benefits:
Strategic Planning
Web Self Service
Best Business Practices
Streamline Processes
Improve Functionality
User Friendly
Reduce need for Microsoft Excel
Mobile Apps
e-Gov

L.3.a

What is the plan?

FIVE CORE MODULES

- Modern functionality from vendors investing in their products
- Real-time information management & reporting
- Integrated self-service for staff, citizens, vendors & businesses
- Reduced need for data re-entry

L.3.a

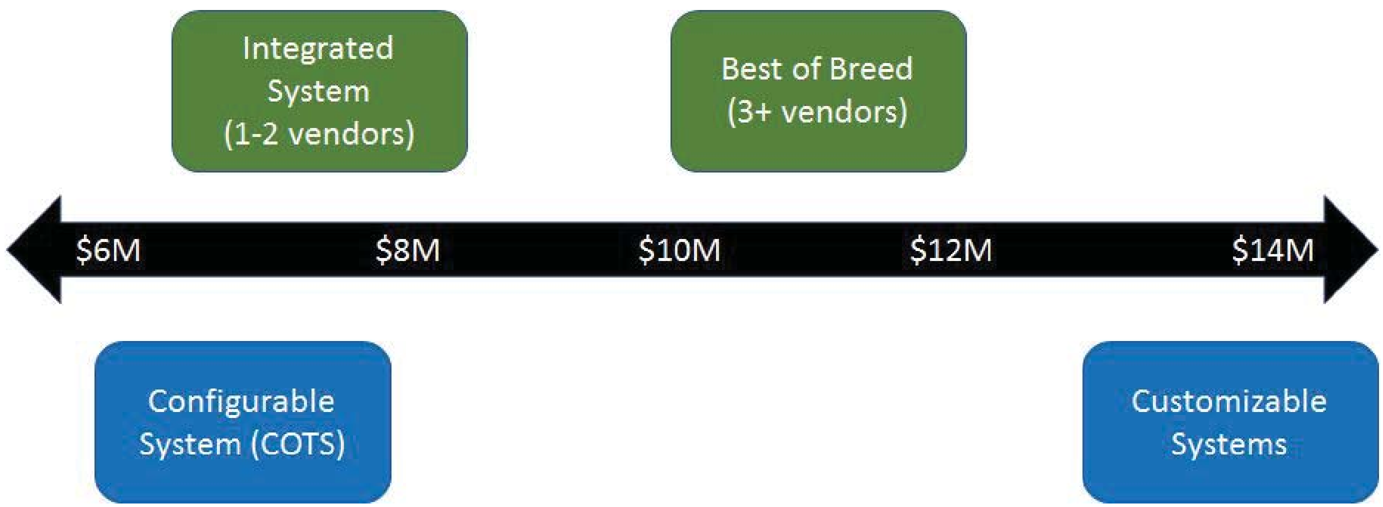
Different Approaches, Choices

Integrated System (1-2 vendors)	Best of Breed (3+ vendors)
~ Variable Fit by Module + Lower Setup Costs + Lower Ongoing Costs	+ Better Functional Fit - Higher Setup Costs - Higher Ongoing Costs

L.3.a

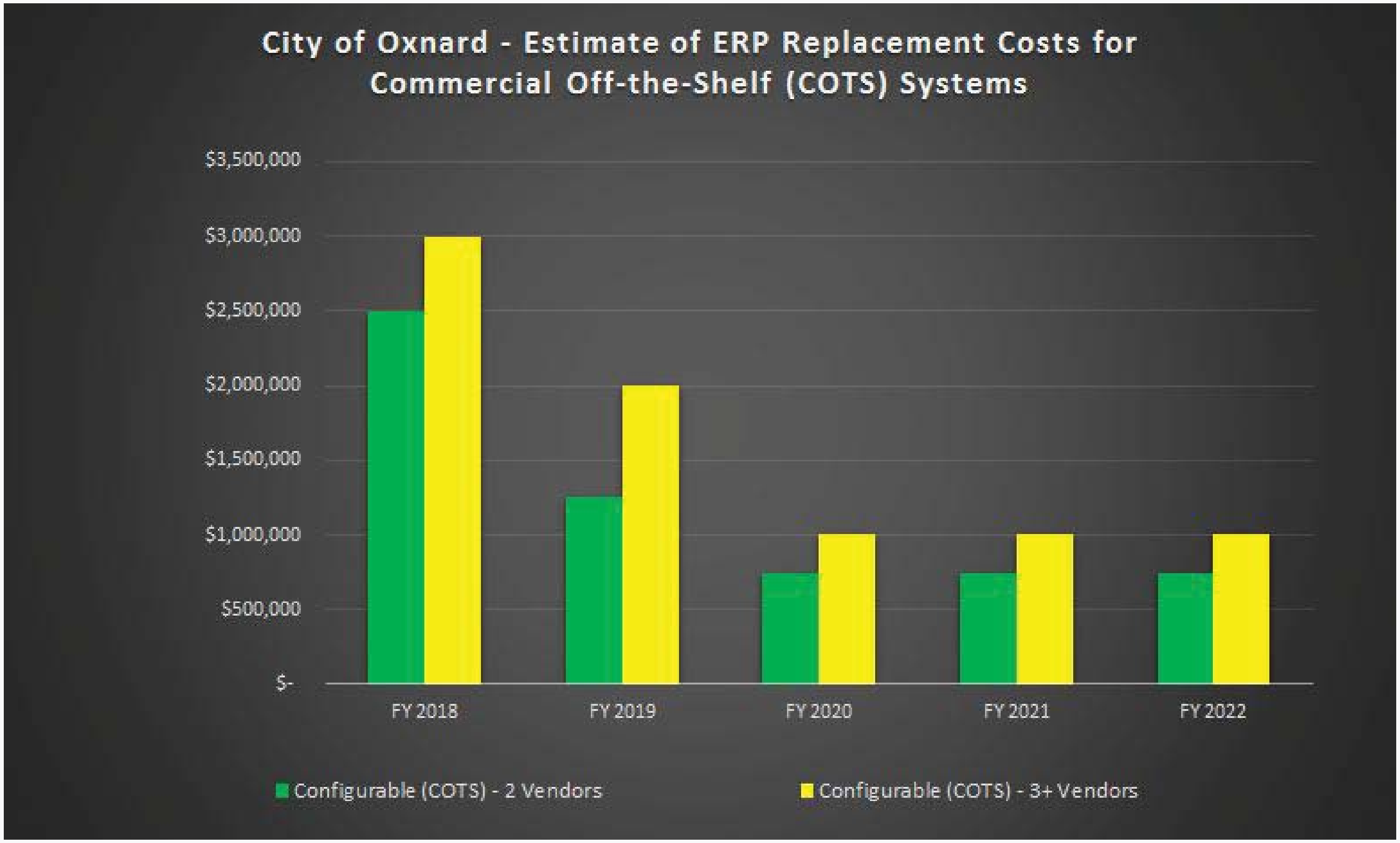
Pricing Estimates

Pricing range depends upon the approach that the City chooses



L.3.a

Calendarizing Costs - Commercial Off-the-Shelf System (COTS) Over 5 Years



Funding & Strategy

Strategy

Discussion of
City-owned hardware or
Cloud-based computing

Funding Sources

General Fund, Measure O, Utilities, existing Departmental funds & technology surcharge.

Phases

Core financials are a top priority. Some modules, like Assets are already funded and can be implemented early.

L.3.a

Roadmap

2017 Project Start
Sciens interviews departments and documents requirements

RFP Release
Proposals due 8/29

Implementation Start*

Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb

RFP Created
Narrative and requirements finalized

Funding Plan & Vendor Selection
Demos and due diligence completed

*Latest date. Some Depts/modules may be completed earlier.

L.3.a

One team. One goal.

Jim Throop	Steve Naveau	Ashley Golden	Dan Rydberg	Keith Brooks
Chief Financial Officer	HR Director	Development Services Director	Public Works Director	IT Director

We're happy to answer any of your questions.

Enterprise Resource Planning

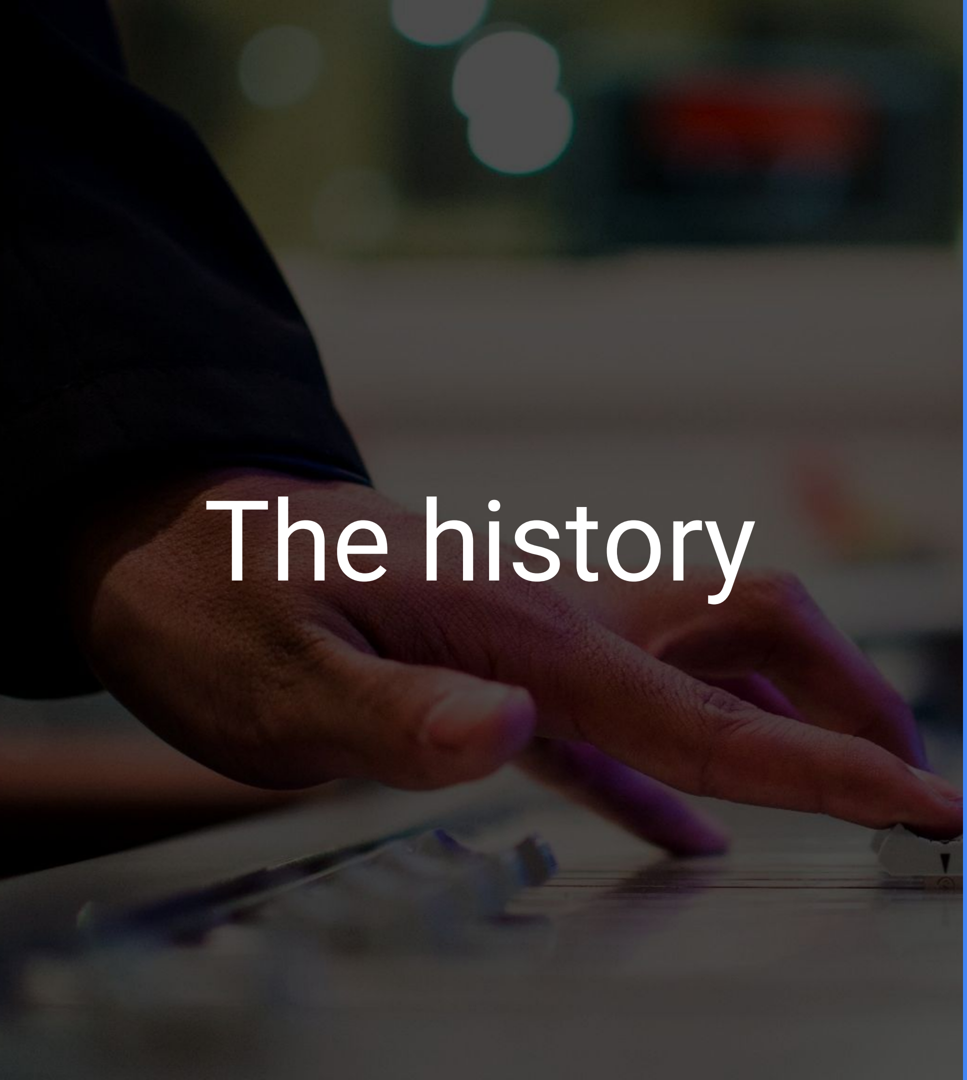
Specification & Procurement Project Update

(ERP)

What is ERP?

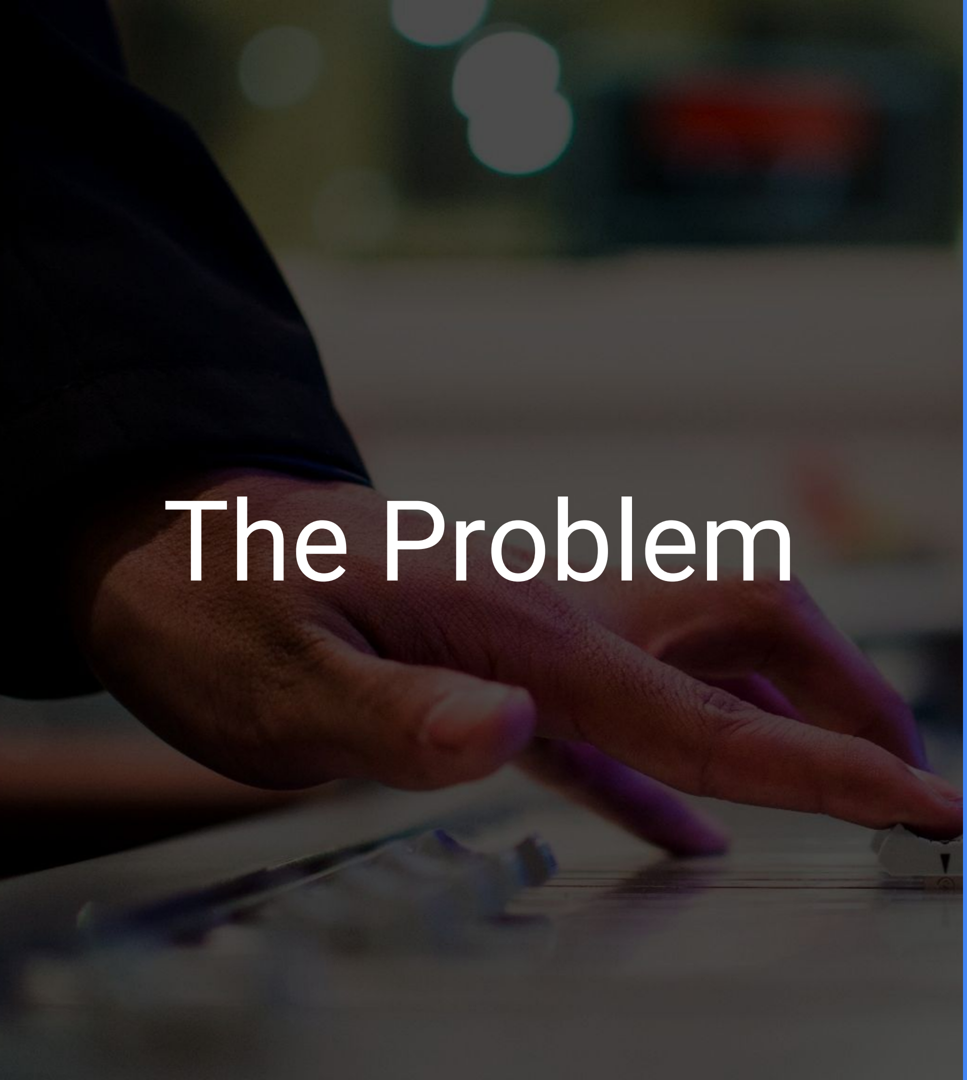
Technology systems that provide the foundational framework for nearly all City functions.

e.g. Core Financials, HR, Utility Billing, Land Management, Permits, Work Orders, Assets and 311



The history

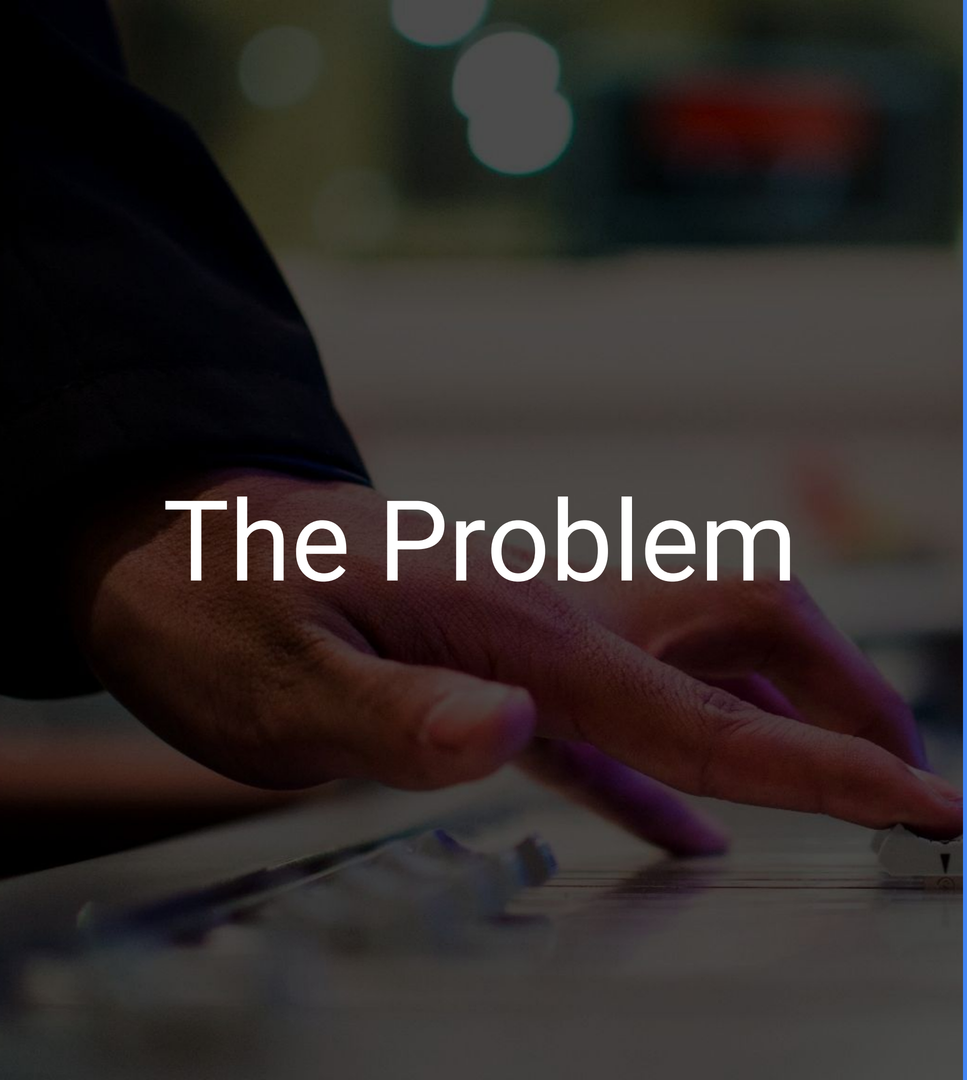
- 1988, 92 & 98 - Sungard ERP components implemented
- July 2015 - Council Received ERP Report recommending replacement
- August 2016 - Technology Governance Subcommittee setup to govern project
- November 2016 - Council approved funding for ERP Project to develop and release RFP
- ***July 2017 - Fiscal Policy Task Force received project status update and recommended brief summary presentation to Council followed by RFP release***



The Problem

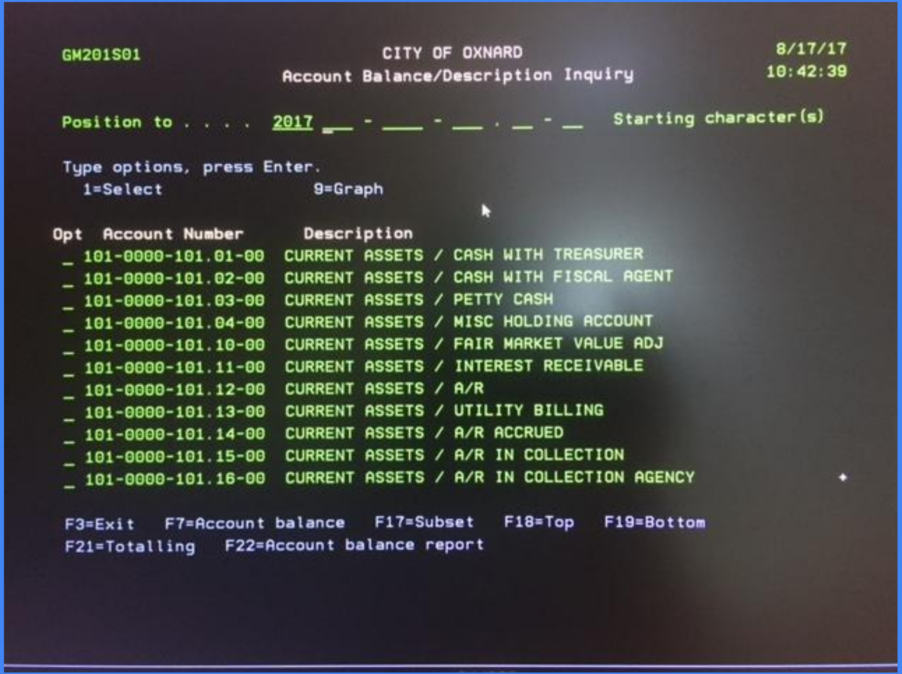
Compared with a modern ERP system, the HTE system as an application is almost ineffective. It is constrained both in terms of technological capabilities and user effectiveness.

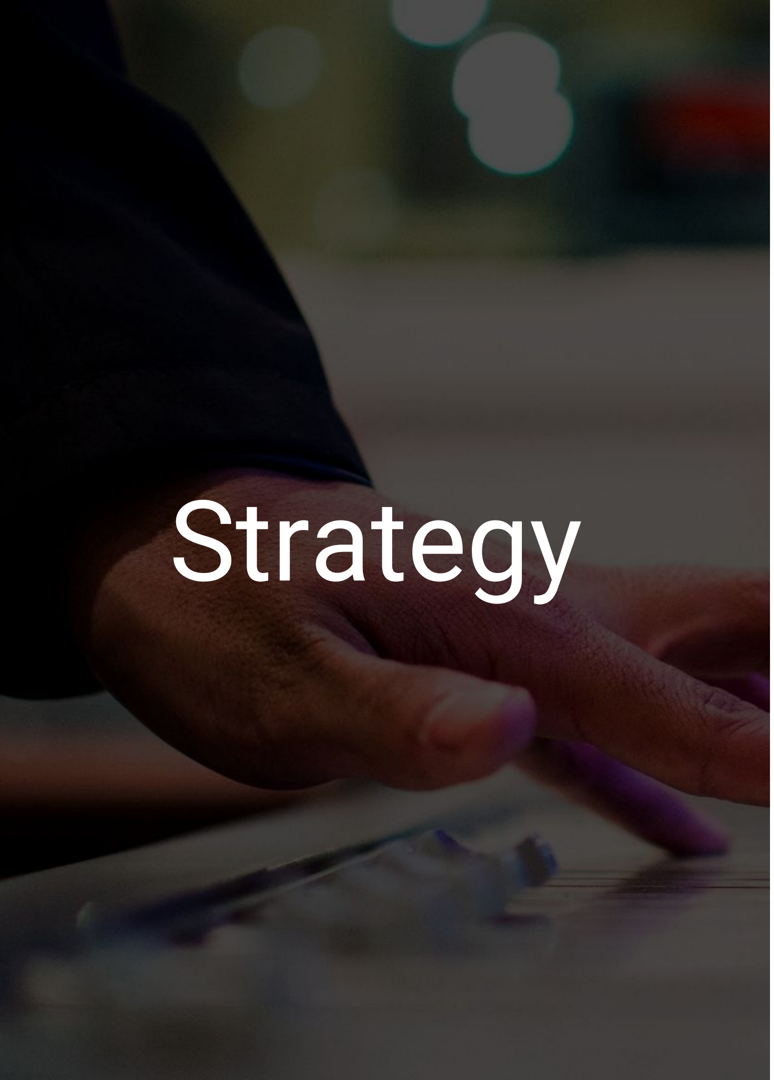
Prior City ERP Consultant



The Problem

Current Finance System





Strategy


Plan Development
Auditing
Policies & SOPs
Organization
RFP Development
Vendor Selection
Project Management
Strategic Direction
Prioritization
Strategy & Planning
Operational Efficiency & Effectiveness
Technology Investments

Project Outcome

SIX CORE MODULES

- Modern functionality from vendors investing in their products
- Real-time information management & reporting
- Integrated self-service for staff, citizens, vendors & businesses
- Reduced need for data re-entry

The Future of Oxnard

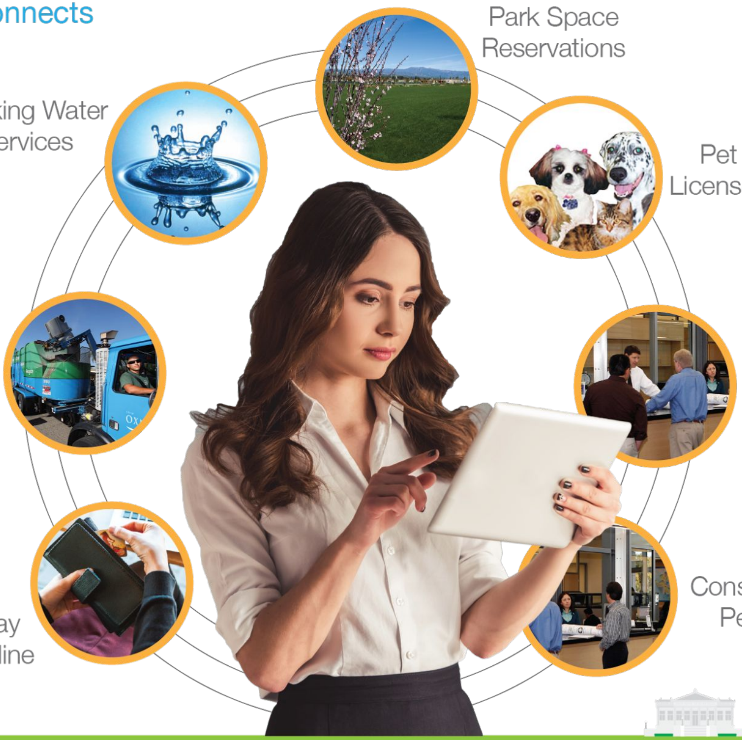
MyOxnard.org

Access from anywhere that your smart device connects

Available 24 hours a day, 7 days a week

No more waiting in line

Neighborhood information



You choose when and where to pay bills or request services

No more endless paper forms for your permits or license applications

Get immediate status of your permit or license

Roadmap

2017 Project Start
Sciens interviews departments and documents requirements

Fiscal Policy Task Force
Recommends bringing RFP to Council for quick approval.

Funding Plan & Vendor Selection
Demos and due diligence completed

Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb

RFP Created
Narrative and requirements finalized

RFP Release
Open for bidding 9/20

Start*

*Latest date. Some Dept
be completed earlier.

Funding Strategy

Funding Sources (example)

- Lease/Purchase
  - 10-year period, allocating costs to allowable funds
- Measure O
  - Possible use as it will benefit citizens with transparency and online capabilities
- Technology surcharge
  - For Business Licenses, permits, other types of fees
- Grant funding
  - When allowable

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CITY COUNCIL AGENDA REPORT	TYPE OF ITEM: Report AGENDA ITEM NO.: 4

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

Greg Nyhoff

FROM: Thien Ng
Interim Public Works Director

Thien Ng

SUBJECT: Amend the City of Oxnard Budget for Fiscal Year 2017-2018 to Add a List of Road Maintenance and Rehabilitation Projects (5/5/5)

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

RECOMMENDATION:

That City Council approve a resolution authorizing:

1. To amend the City of Oxnard's budget for Fiscal Year 2017-2018 by adding a road maintenance and rehabilitation project in the Auto Center Neighborhood; and

2. To approve a budget appropriation in the amount of $1,800,000 from Road Maintenance and Rehabilitation Account (RMRA) Gas Tax Fund 181 and Street Maintenance Fund 105.

BACKGROUND

On April 28, 2017, the Governor signed Senate Bill (SB) 1 to address basic road maintenance, rehabilitation and critical safety needs on both the state highway and local road systems.

Among other changes to the law, SB 1 adds section 2032.5 to the Streets and Highways Code, which requires the recipients of SB 1 funds to be held accountable for the efficient investment of public funds to maintain local streets and roads through performance goals that are tracked and reported. SB 1 also adds section 2034 to the Streets and Highways Code, which requires that the City, before receiving an apportionment of SB 1 funds in a fiscal year, must submit to the

California Transportation Commission (CTC) a list of proposed projects, a description and the location of each proposed project, the proposed schedule for each project's completion, and the estimated useful life of the improvement proposed to be funded. Also under section 2034, projects proposed to receive funding must be included in a budget that is adopted by the City Council at a regular public meeting. The project list does not limit the flexibility of the City to fund projects in accordance with local needs and priorities so long as the projects are consistent with SB 1.

The eleven local jurisdictions in Ventura County are likely to receive a total of approximately $9.7 million from SB 1 funding in fiscal year 2017/18; the City of Oxnard's share will likely be approximately $1.1 million. Staff recommends that funds be budgeted for the Auto Center Neighborhood Street Resurfacing Project. The total cost of this project is estimated at $1,800,000. To supplement SB 1 funds, the Street Maintenance Fund will cover the remaining cost of the project.

The Auto Center Neighborhood Street Project includes resurfacing the following streets: Ventura Boulevard, Auto Center Drive, Paseo Mercado, Collins Street, Los Olivos, Via Estrada, Rose Avenue and Ogden Court. This project will improve 10.3 lane miles of streets. This commercial neighborhood area has a Pavement Condition Index (PCI) of 30, as measured in March of this year. (The PCI is a numerical index between 0 and 100 that is used to indicate the general condition of a pavement, with 100 representing the best possible condition and 0 representing the worst possible condition.)

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 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 appropriate $1,800,000 to the Auto Center Neighborhood Project No. 183102 of which $1,100,000 to Contracts– Construction Services of the Street Resurfacing Gas Tax Fund (Account No. 181-3015-826.82-08) and $700,000 to Contracts– Construction Services of the Street Resurfacing Street Maintenance Fund (Account No. 105-3015-826.82-08). With the appropriation of $700,000, the estimated unreserved fund balance for Street Maintenance Fund is $9.2M.

ATTACHMENTS:

A - Resolution

B - LSR_Project_List EXHIBIT 1

C - SBA- Auto Center Resurf SB1

D - Auto Center Commercial Neighborhood Map

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING THE 2017-18 BUDGET TO INCORPORATE A LIST OF PROJECTS FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT.

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City of Oxnard (City) are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must include a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, in the City's budget, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated $1,100,000 in RMRA funding in Fiscal Year 2017-18 from SB 1; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, cities and counties own and operate more than 81 percent of streets and roads in California, and from the moment we open our front door to when we drive to work, bike to school, or walk to the bus station, people are dependent upon a safe, reliable local transportation network; and

WHEREAS, modernizing the local street and road system provides well-paying construction jobs and boosts local economies; and

WHEREAS, the local street and road system is also critical for farm to market needs, interconnectivity, multimodal needs, and commerce; and

WHEREAS, police, fire, and emergency medical services all need safe reliable roads to react quickly to emergency calls and a few minutes of delay can be a matter of life and death; and

WHEREAS, maintaining and preserving the local street and road system in good condition will reduce drive times and traffic congestion, improve bicycle safety, and make the pedestrian experience safer and more appealing, which leads to reduce vehicle emissions helping the State achieve its air quality and greenhouse gas emissions reductions goals; and

WHEREAS, restoring roads before they fail also reduces construction time which results in less air pollution from heavy equipment and less water pollution from site run-off; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices will have significant positive co-benefits statewide.

NOW, THEREFORE, the City Council of the City of Oxnard hereby resolves, orders and finds as follows:

1. The foregoing recitals are true and correct.

2. The City's budget for fiscal year 2017-18 is amended to incorporate the following project planned to be funded with Road Maintenance and Rehabilitation Account revenues (and the Street Maintenance Fund):

   Description: Auto Center Neighborhood Street Resurfacing
   Location: The Auto Center Commercial Neighborhood project is in the area north of the 101 Freeway between Rose and Rice Avenues.
   Estimated Useful Life: 15-20 years
   Anticipated Year of Construction: 2018
   Schedule for Project's Completion: June 30, 2018

PASSED AND ADOPTED this 3rd day of October, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____
Tim Flynn, Mayor

ATTEST:

____
Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

____
Stephen M. Fischer, City Attorney

STATE OF CALIFORNIA • CALIFORNIA TRANSPORTATION COMMISSION

Senate Bill (SB) 1 Proposed Project List Form

Part 1: General Information

Local Streets and Roads Program

*Agency Name: (Select from dropdown list)	LoCode:
Oxnard	5129

*Agency Address:	*City:		*ZIP Code:
305 west Third Street	Oxnard	CA	93030

*Agency Contact:	*Agency Contact Title:
Robert Hearne	Senior Civil Engineer

*Agency Contact Phone No.: (i.e. 1234567890)	*Agency Contact Email Address:
(805) 385-7832	robert.hearne@oxnard.org

Funding for Fiscal Year: FY 17/18

***Budget Support Documentation:?**

Please briefly describe the budget support documentation being provided.

The support documentation being provided is the agenda report, resolution, and the budget appropriation for the project.

Average Network PCI:		Measurement Date:	(Month)	(Year)
	30		03	2017

Additional Information: ?

The neighborhood was identified as a priority by the PCI ranking.

Project Flexibility:

Pursuant to SHC Section 2034(a)(1), this project list shall not limit the flexibility of an eligible city or county to fund projects in accordance with local needs and priorities, so long as the projects are consistent with SHC Section 2030(b). After submittal of the project list to the Commission, in the event a city or county elects to make changes to the project list pursuant to the statutory provision noted above, formal notification of the Commission is not required. However, the Project Expenditure Report form that is due to the Commission by October 1st each year, will provide an opportunity for jurisdictions to annually communicate such changes to the Commission as part of the regular reporting process.

* Required information

L.4.b

Part 2: Project Information

Local Streets and Roads Program

* Required

Proposed Project (PP#)	LoCode	* Project Title	Project ID (if any)	Project Type ? Type (Select from dropdown list)	Explanation (if "Other" is selected, please explain) ?	* Project Description ?	* Project Location ?	* Estimated Completion Date Pre-Construction (mm/yyyy)	Construction (mm/yyyy)	* Estimated Useful Life (# of Yr) Min.	Max.	Legislative District(s) State Senate			State Assembly			Additional Project Elements (Does the project include element(s) as described in SHC 2030 (c)-(f)? (Select Y/N from dropdown list) ? Sustainability ?	Technologies ?	Climate Change ?	Complete Streets Elements ?	Description of Elements
PP01	5129	Auto Center Neighborhood St Resurf	183101	Complete Streets Components		The resurfacing project consists of a two-inch cold mill and 3/8-inch ARAM and finished with 2-inch ARHM.	The Auto Center Commercial Neighborhood project is the area North of	03/2018	06/2018	15	20											
PP02	5129																					
PP03	5129																					
PP04	5129																					
PP05	5129																					
PP06	5129																					
PP07	5129																					
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PP50	5129																					

STATE OF CALIFORNIA • CALIFORNIA TRANSPORTATION COMMISSION
Senate Bill (SB) 1 Proposed Project List Form

Local Streets and Roads Program

Agency Name:		Agency Contact:
Oxnard		Robert Hearne
		(805) 385-7832
LoCode:	5129	robert.hearne@oxnard.org

FY
17/18

Summary of Proposed Project List

Project No.	Project Title	Project Description	Project Location	Estimated Completion Date (mm/dd/yyyy)		Estimated Useful Life (# of yrs)	
				Pre-Construction	Construction	Min.	Max.
PP01	Auto Center Neighborhood St	The resurfacing project consists of a two-inch cold mill	The Auto Center Commercial	03/2018	06/2018	15	20
PP02							
PP03							
PP04							
PP05							
PP06							
PP07							
PP08							
PP09							
PP10							
PP11							
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PP46							
PP47							
PP48							
PP49							
PP50							

REQUEST FOR BUDGET APPROPRIATION

Department: Public Works **Date:** October 3, 2017

Project/Program Manager: Thien Ng **Phone:** 271-2220

Reason for Appropriation:

Appropriates Fund 181- State Gas Tax new Road Maintenance and Rehabilitation Act (RMRA/SB1) and Fund 105- Street Maintenance funding to the Auto Center Neighborhood street resurfacing project.

Accounts and Descriptions		**AMOUNT**
Fund: 105- Street Maintenance Fund		
Expenditures/Transfers Out		
Project# 183102 Auto Center Neighborhood St Resurf		
105-3015-826.82-08	CONTRACTS AND SERVICES / SERVICES - CONSTRUCTION	700,000
	Sub-total Expenditures	700,000
	Net Change to Fund Balance	**(700,000)**
Fund: 181- State Gas Tax		
Expenditures/Transfers Out		
Project# 183102 Auto Center Neighborhood St Resurf		
181-3015-826.82-08	CONTRACTS AND SERVICES / SERVICES - CONSTRUCTION	1,100,000
	Sub-total Expenditures	1,100,000
	Net Change to Fund Balance	**(1,100,000)**
	Net Appropriation Change	**1,800,000**

Approvals

Department Director ______________________________

Chief Financial Officer ______________________________

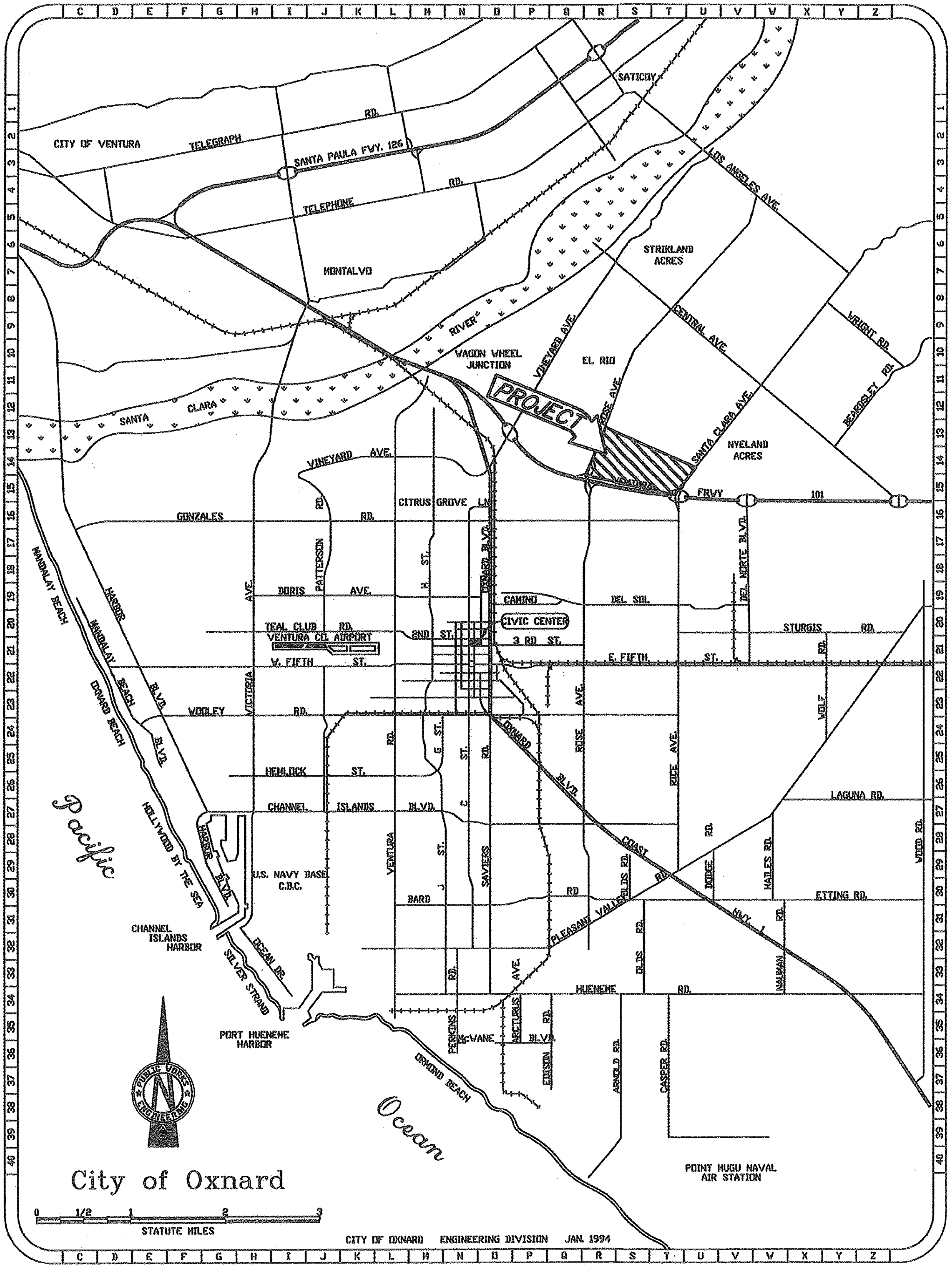
City Manager ______________________________

BA# (Finance Use Only)______________

BA Doc# (Finance Use Only)

REQUIRES CITY COUNCIL AUTHORIZATION

Revi



LOCATION MAP

AUTO CENTER COMMERCIAL NEIGHBORHOOD RESURFACING PROJECT

	CITY COUNCIL AGENDA REPORT	**TYPE OF ITEM: Report** **AGENDA ITEM NO.: 5**

DATE: October 3, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

Greg Nyhoff

FROM: Thien Ng
Interim Public Works Director

Thien Ng

SUBJECT: Report on the Public Works Integrated Master Plan (20/10/10)

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

RECOMMENDATION:

That City Council receive and file the Revised Final Draft Public Works Integrated Master Plan.

BACKGROUND

On June 26, 2012, City Council approved updating the Public Works Master Plan for conformance with the 2030 General Plan and to include the update of master plans for the Water, Wastewater, Recycled Water, and Storm Drain Systems. The updates addressed the many challenges in managing public works infrastructure now and in the future. The Master Plan uses a coordinated methodology to allow the City to take full advantage of potential linkages and synergies among its four major water utility systems.

Public Works staff began conducting field work for the updates of the various plans, but did not have the available in-house resources to update the Master Plans in a timely manner and due to impending infrastructure failures, staff determined that a solicitation for consultant services was required in order to update the master plans and integrate them to achieve efficiencies in the implementation of the corresponding Capital Improvement Projects (CIP).

As a result, the City issued a request for proposal to 20 firms and advertised in the local newspaper and on the City's website. Eleven firms attended the mandatory pre-proposal meeting. The City received one proposal from Carollo Engineers, Inc. On May 20, 2014, the City Council approved Agreement No. A-7668 with Carollo Engineers, Inc. for the Integrated Public Works Master Plan effort.

The Final Draft Master Plan was published in December 2015 as a seven-volume set of notebooks containing more than forty master planning Project Memorandums. This was followed shortly after in early 2016 with the publication of the Final Draft Master Plan Summary Report (April 2016), and the Draft Executive Summary Report (May 2016).

As is typical in master planning, these initial planning reports were published as first drafts. This practice recognizes that the initial planning findings and reports are not considered 'final' until further environmental and financial studies are completed.

Consequently, these Final Draft master-planning documents served as the basis for the City to proceed with a Cost of Service Study to gain approval for the planned wastewater and water utility rate increases for the near-term capital projects, and to support a formal Proposition 218 process. The resulting Wastewater Treatment and Collection Cost of Service Study was approved in early 2017, and the Water Division Cost of Service Study was approved in Summer 2017.

Between the time of publication of the Final Draft master-planning documents in December 2015 and the final adoption of the Cost of Service Studies and related rates in early 2017, the City continued to review and to optimize the final master planning recommended policies, projects, and programs. Therefore, certain projects included in the Final Draft planning documents for the Oxnard Wastewater Treatment Plant (OWTP) have been refined and updated.

These refinements were made to incorporate the latest in recent findings from the advanced facilities planning conducted, in part, for the Cost of Service Studies, and as part of the preliminary designs proceeding concurrently for critically needed facilities. It should be noted that the refinements and optimizations were generally not related to capacity needs but to achieve improved financial and implementation strategies and to accommodate technology updates and global climate change strategies, as follows:

1. Project phasing and timing (but not for increased capacity), including: a phased primary treatment upgrade program and a phased secondary treatment upgrade program.
2. Technology updates, including membrane bioreactors (MBR) to meet potential nutrient requirements and to save costs related to advanced treatment for recycled water.
3. Global climate change, resiliency, and adaption projects to plan for increasing sea levels.

The Master Plan coordinates the need and timing of planned water utility facilities as related to the elements in the City's 2030 General Plan (and projections through 2030) with a forward projection through the year 2040. The recommended master planning projects, timing, and phased implementation are noted in the CIP for both the near-term projects (the next several years) as defined in the Cost of Service Studies, and the longer-term projects (extending through

2040) as defined in the Master Plan.

Further, the time horizon for the near-term CIP serves as the basis for the newly adopted rates, and does not extend to the end of the long-term planning period (thru 2040). This is in recognition of the flexible design and adaptive nature of the recommended Master Plan.

In summary, the refined and updated near-term projects that were identified and developed as part of the Cost of Service Studies were subsequently incorporated into the recommended Final Draft CIP and Master Plan. Nevertheless, it is the near-term CIP that is the basis for the newly adopted rates. The overall CIP and Master Plan recommended herein developed by merging related planning efforts: the Cost of Service Studies, the Preliminary Design of critically needed facilities, and the long-term master planning recommendations.

If City Council receives and files the Revised Final Draft Public Works Integrated Master Plan, staff will return to the City Council to amend an existing contract with a consultant to complete the Programmatic Environmental Impact Report (EIR) in order to finalize and implement the master plan.

The complete Revised Final Draft Public Works Integrated Master Plan may be viewed on the City's website at https://www.oxnard.org/city-department/public-works/public-works-integrated-master-plan-2/.

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 infrastructures are current, synchronized and consistent with the General Plan.

Objective 1a. Complete the Public Works Integrated Master Plan.

Objective 1b. Develop master plans for other City facilities and vehicles.

FINANCIAL IMPACT

The Revised Final Draft Public Works Integrated Master Plan will guide the future capital improvement plan for the City's utilities. When projects are ready for construction, staff will discuss financial impact and request for appropriation accordingly.

ATTACHMENTS:

Attachment A: Public Works Integrated Master Plan - Executive Summary

CITY OF OXNARD CALIFORNIA

PUBLIC WORKS

Integrated Master Plan

Executive Summary

REVISED FINAL DRAFT • SEPTEMBER 2017

carollo

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This document is released for the purpose of information exchange review and planning only under the authority of Tracy Anne Clinton, State of California Professional Engineer No. 48199 September 2017.

BRIEF HISTORY AND OVERVIEW OF THE CITY OF OXNARD PUBLIC WORKS DEPARTMENT'S INTEGRATED PLANNING EFFORTS: MAY 2014 – AUGUST 2017

In May 2014, the City of Oxnard (City) Public Works Department began developing the Public Works Integrated Master Plan (PWIMP, or Plan). The Plan unfolded to address future planning needs for all major utilities within the City's jurisdiction: water, wastewater, recycled water, and stormwater. The Plan uses a coordinated methodology to allow the City to take full advantage of potential linkages and synergies among its four major water utility systems.

The Final Draft Plan was published in December 2015 as a seven-volume set of notebooks containing more than forty master planning Project Memorandums. This was followed shortly after in early 2016 with the publication of the Final Draft Master Plan Summary Report (April 2016), and the Final Draft Executive Summary Report (May 2016).

As typical in master planning, these initial planning reports were published as first drafts. This practice recognizes that the initial planning findings and reports are not considered 'final' until further environmental and financial studies are completed.

Consequently, these Final Draft master-planning documents served as the basis for the City to proceed with cost of service studies to gain approval for the planned wastewater and water utility rate increases for the near-term capital projects, and to support a formal Proposition 218 process. The resulting Wastewater Cost of Service Study was approved in early 2017, and the Water Cost of Service Study was approved in summer 2017.

Between the time of publication of the Final Draft master-planning documents in December 2015 and the final adoption of the Cost of Service Studies/Rates in early 2017, the City continued to review and to optimize the final master planning recommended policies, projects, and programs. Therefore, certain projects included in the Final Draft planning documents have been refined and updated.

These refinements were made to incorporate the latest in recent findings from the advanced facilities planning conducted, in part, for the Cost of Service Studies, and as part of the preliminary designs proceeding concurrently for critically needed facilities. It should be noted that the refinements and optimizations were generally not related to capacity needs, but to achieve improved financial and implementation strategies, and to accommodate technology updates and global climate change strategies, as follows:

1. Project phasing and timing (but not for increased capacity), including: a phased primary treatment upgrade program, and a phased secondary treatment upgrade program.
2. Technology updates, including membrane bioreactors (MBR) to meet potential nutrient requirements, and to save costs related to advanced treatment for recycled water.
3. Global climate change, resiliency, and adaption projects to plan for increasing sea levels.

The Plan coordinates the need and timing of planned water utility facilities as related to the elements and projections in the City's 2030 General Plan, with a forward projection through the year 2040. The recommended master planning projects, timing, and phased implementation are noted in the Capital Improvement Plan (CIP) for both the near-term projects (the next several years) as defined in the Cost of Service Studies, and the longer-term projects (extending through 2040) as defined in the Plan.

Further, the time horizon for the near-term CIP serves as the basis for the newly adopted rates, and does not extend to the end of the long-term planning period (thru 2040). This is in recognition of the flexible design and adaptive nature of the recommended Plan.

In summary, the refined and updated near-term projects that were identified and developed as part of the Cost of Service Studies were subsequently incorporated into the recommended Final Draft CIP and Integrated Master Plan. Nevertheless, it is the near-term CIP that is the basis for the newly adopted rates. The overall CIP and Integrated Master Plan recommended herein was developed by merging the related planning efforts: the Water and Wastewater Cost of Service Studies, the Preliminary Design of critically needed facilities, and the long-term master planning recommendations.

The City of Oxnard's Public Works Integrated Master Plan consists of an Executive Summary, a Summary Report, and a seven-volume set of notebooks containing more than 40 Project Memorandums.

1. INTRODUCTION

The City of Oxnard's (City) Public Works Department is facing many challenges in managing its future water resources and utilities. These challenges include responding to immediate drought conditions while also planning for long-term water needs, reducing dependence upon costly imported water, addressing aging infrastructure and reliability concerns, pursuing aggressive goals for energy efficiency and sustainable solutions, maintaining compliance with changing regulatory requirements, and the on-going loss of seasoned staff and personnel. The City's opportunities in meeting these challenges are varied and range from institutional and non-structural approaches (policies and programs) to technical and structural approaches (capital projects). Because of its broad authority, the City is also keenly aware of its unique opportunity to realize the benefits of optimizing both capital and operations and maintenance investments for all water utilities, street improvements and other City infrastructure.

The City is located along the Pacific Ocean coastline in Southern California, just northwest of Los Angeles (see Figure 1). Oxnard is the largest city in Ventura County and is at the center of a regional agricultural industry with a growing business center.

The City has jurisdictional authority to provide potable water, wastewater, recycled water, and stormwater services to nearly 200,000 citizens and numerous commercial, industrial, and agricultural users. For example, the City provides potable water to users by blending groundwater and imported surface water (State Water Project) for its potable water supply.

The Public Works Integrated Master Plan (Integrated Master Plan or Plan) develops long-term recommendations for policies, programs, and projects that successfully address these challenges and opportunities in a holistic and integrated way. In carrying out the

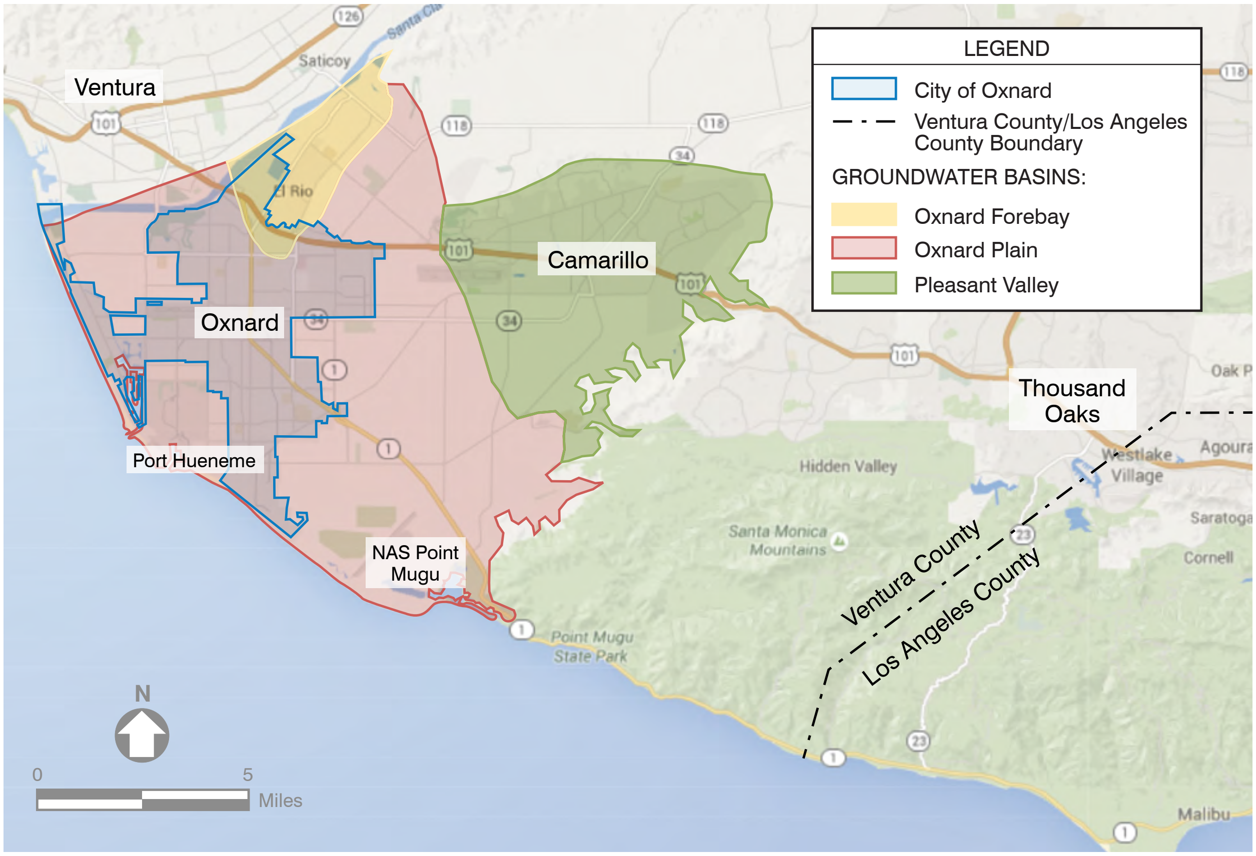

Figure 1. The City of Oxnard in relation to its surrounding communities and groundwater basins.

project goals, the Plan will help the City respond to planned population increases as well as challenges from new regulatory requirements, drought conditions, aging infrastructure, and reliability concerns.

Furthermore, the Integrated Master Plan documents the policy decisions, goals, and objectives to help protect public health while balancing the environmental, social, and financial impacts of the City's water resource management. This Plan also develops cost-effective strategies to address growth, regulatory compliance, environmental protection, and public and worker safety in ways that are consistent with the Plan's polices, goals, and objectives. While not covered in detail herein, the Integrated Master Plan also considered public works staffing, streets linkages to infrastructure, and security of public works facilities.

> The Integrated Master Plan documents the policy decisions, goals, and objectives to help protect public health while balancing the environmental, social, and financial impacts of the City's water resource management.

FACILITIES OVERVIEW

The City of Oxnard receives water by drawing it from the local Oxnard Plain groundwater basin and importing groundwater and surface water from the United Water Conservation District and State Water Project via Calleguas Municipal Water District, respectively. Before the water enters the potable water distribution system, the City uses six blending stations throughout city limits for hydraulic blending. One of the six blending station treats local groundwater for high levels of total dissolved solids.

The City also owns and operates its own wastewater collection and treatment system, the Oxnard Wastewater Treatment Plant (OWTP), located on Perkins Road. Since its inception, the plant has grown from a treatment capacity of approximately 5 million gallons per day (mgd) to its current permitted capacity of 31.7 mgd. The current OWTP facility includes raw sewage pumping, influent screening, primary sedimentation, an activated sludge secondary treatment process, effluent disinfection, and solids handling, including digestion. Final effluent is transported to an ocean outfall and discharged offshore to the Pacific Ocean or routed to the City's Advanced Water Purification Facility (AWPF).

In 2009, the City began planning for its Advanced Water Purification Facility, which provides full advanced treatment of secondary treatment wastewater effluent for recycled water use. This facility was dedicated in 2012 as part of the City's Groundwater Recovery Enhancement and Treatment (GREAT) program. Although its origins can be traced to two decades ago, the GREAT program was formally established in 2002 to address increasing concerns over the long-term sustainability of the City's groundwater supply.

GREAT Program Objectives

The objectives of the program as it was first established included the following:

- Increased water supply reliability during drought.
- Reduced water supply costs.
- Water supply security in meeting growing water demand.
- Enhanced local water supply stewardship through the reduction of groundwater pumping and recycling and reusing a substantial portion of the region's wastewater.
- Environmental benefits associated with the development and rehabilitation of local saltwater wetlands.

As the GREAT program evolved, the City shifted from using groundwater recharge as a seawater intrusion barrier to groundwater recharge as an Aquifer Storage and Recovery operation. Because indirect/direct potable reuse provides many benefits and is becoming more commonplace in the current regulatory climate, the City has renewed interest in it.

In addition to these water, wastewater, and recycled water processes, the City operates a network of stormwater facilities with collection piping and channels to convey stormwater to both the Santa Clara River and the ocean. Although Ventura County owns most of these facilities, the City maintains many of them.

INTEGRATED MASTER PLAN APPROACH

The Integrated Master Plan addresses future planning needs for all major water utilities within the City's jurisdiction, including water, wastewater, recycled water, and stormwater. Building on previous planning efforts, this Plan allows the City to take full advantage of potential linkages and efficiencies among the four water utility systems.

The Integrated Master Plan addresses the major water supply issues, including availability, quality, and cost, in a coordinated and integrated fashion across the entire City water utilities. For example, the Plan documents the relationship of the different City water utility policies, programs and projects in terms of physical, institutional, and financial linkages.

A key outcome of the plan was documenting the function of the Advanced Water Purification Facility (AWPF) as to its role in supplementing the community's water supply. It clarifies the AWPF physical linkages to the upstream OWTP, and to the downstream recycled water system. This is especially important in terms of defining the clear link between wastewater utility investments, and water supply and cost decisions, and extending to cost of service policy and water pricing.

Further, the Plan coordinates the need and timing of planned water utility infrastructure facilities as related to the infrastructure elements of the City's 2030 General Plan. This is an important consideration in establishing the priorities and rationale for investment decisions regarding water utility infrastructure to support the overall goals and objectives of the City.

The Plan also serves to integrate the many parallel planning and on-going water utility improvement efforts. This includes the development of industrial wastewater local limits, the permitting process for the indirect potable reuse program, the wastewater utility Report of Waste Discharge submittal, and the Salt and Nutrient Management Plan, among others.

To develop this Integrated Master Plan, six major steps (see Figure 2) were completed. These steps are described below.

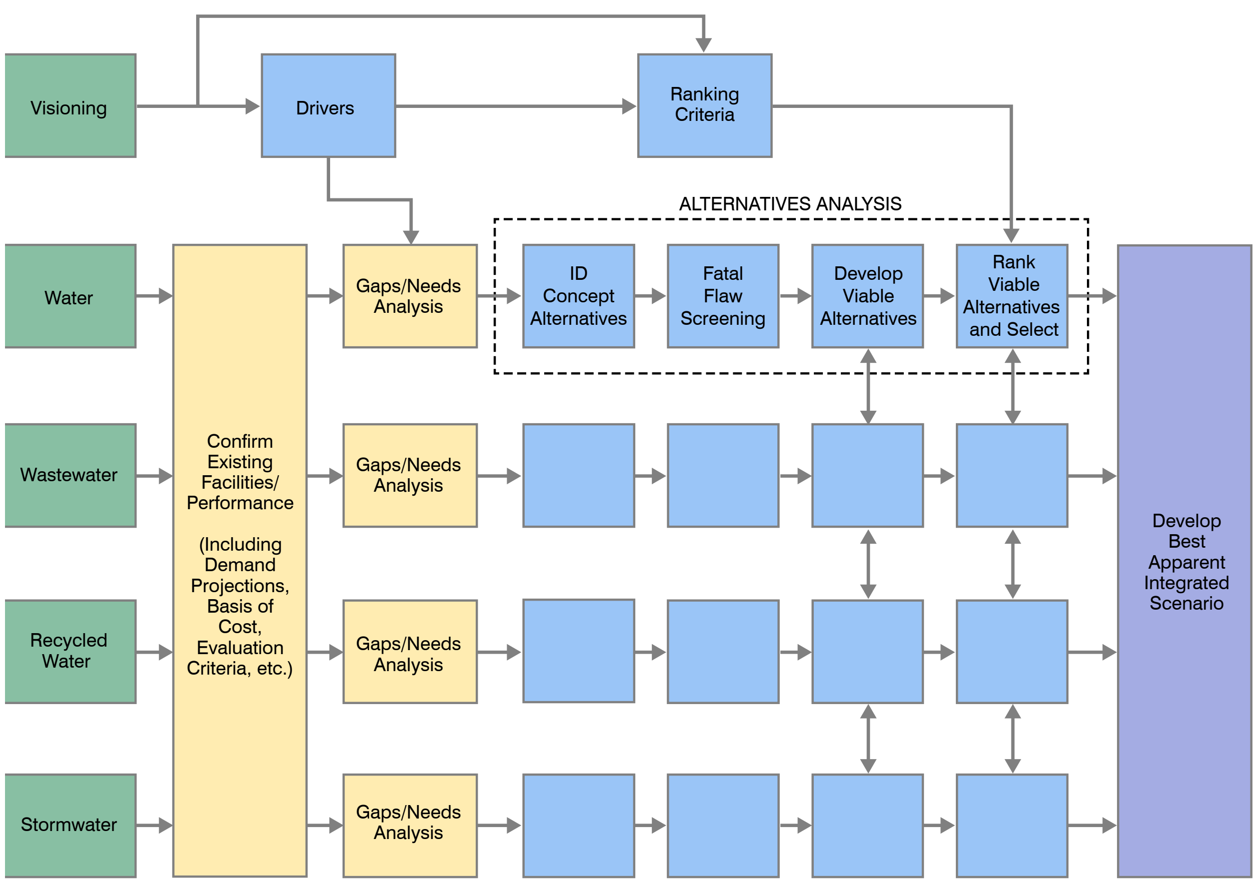

Figure 2. An overview of the Integrated Master Planning Process.

1. **Confirm Existing Facilities/Performance.** Findings and conclusions of past studies and reports were assimilated to confirm existing facilities and their performance. Asset condition assessments were completed to assess condition, criticality, and risk of failure of key assets.
2. **Identify Gaps/Needs Analysis.** Gaps in required performance and utility capacity were identified by comparing the existing facilities' condition, performance, and capacity with the anticipated needs for repair and replacement, capacity, regulatory compliance, and other planning drivers. Future needs were then determined based on anticipated regulatory requirements, planned capacity increases, repair and replacement, risk assessments, cost-effectiveness, and performance improvements that drive the need for future facility improvements.
3. **Analysis of Alternatives.** Viable alternatives were identified, evaluated, and developed to meet anticipated needs or to take advantage of new opportunities in resource recovery and/or technologies. A wide range of solutions were brainstormed, conceptual alternatives were identified, and screenings were conducted to select viable alternatives. The viable alternatives and their abilities were then selected to meet the overall goals and objectives.
4. **Identify Linkages/Evaluate Alternatives.** Various water system plans that support utilities were coordinated to identify key linkages and critical implementation issues, to quantify costs and benefits, and to rank alternatives.
5. **Develop Best Apparent Scenario.** The best combination of policies, projects, and ongoing programs across all water utilities were evaluated and determined, and the best apparent integrated scenario was developed.
6. **Develop Recommended Capital Improvement Plan.** Estimated capital, operations, and maintenance costs were developed to the 25-year planning horizon (through 2040), and a financial evaluation and rate analysis were developed. A phased Implementation Plan was also developed to integrate the recommended improvements for all utilities for greater efficiency and cost-effectiveness.

Viable alternatives were identified, evaluated, and developed to meet anticipated needs or to take advantage of new opportunities in resource recovery and/or technologies.

This Integrated Master Plan is a high level study covering a multitude of areas within each infrastructure system. As such, this Plan will serve as the basis for future documentation and implementation steps, such as the environmental impact review, more detailed facilities planning, design, and implementation of planned projects, and financial planning.

2. MASTER PLAN DRIVERS AND OBJECTIVES

The main purpose of the Integrated Master Plan is to provide a phased program for constructing recommended facilities to accommodate planned growth while simultaneously maintaining treatment reliability, meeting future regulatory requirements, and optimizing costs.

Key planning drivers were identified that would direct the master planning efforts and be used to evaluate and recommend necessary facilities, policies, and programs within the Integrated Master Plan.

In the first stages of the planning process, key planning drivers were identified that would direct the master planning efforts and be used to evaluate and recommend necessary facilities, policies, and programs within the Integrated Master Plan. These drivers are described below.

- **Repair/Replacement (Condition).** A condition trigger was assigned when the process or facility had reached or was near the end of its economic useful life. This trigger is determined by the need for the facility to operate reliably and meet performance requirements related to the existing permit, worker and public safety, protection of the environment, and all other requirements.
- **Regulatory Requirement**. A regulatory trigger was assigned when local, state, or national regulatory requirements and deadlines established the need for additional treatment facilities. Determining when the new facilities would be put in service depends on the amount of lead-time needed to plan, design, and construct the facilities.
- **Economic Benefit.** An economic benefit trigger was assigned when life-cycle costs could be significantly reduced based on capital and operations and maintenance costs. For example, an economic benefit might be realized for an increase in initial capital investment that achieved an ongoing reduction in labor, energy, or chemical usage.
- **Improved Performance Benefit.** An improved performance benefit trigger was assigned when improved operations and maintenance performance led to more reliability and/or to reduced operational and safety-related risks. For example, an improved performance benefit can be seen in cases of improved process control or automation or to address an operational concern, such as flexibility, reliability, and the need for less complexity.
- **Growth Leading to Increased Demands/Flows/ Loads.** A flow or pollutant load trigger was assigned when an increase in existing capacity is needed to accommodate future increases in demand or influent flows or loads to a facility. These increases are determined by population growth, industrial discharges, annexation, regionalization, or changes in wet weather or drought operations.
- **Resource Sustainability.** The resource sustainability trigger was assigned when there was a desire to meet energy initiatives, include resource recovery opportunities, and /or consider sustainable design alternatives.
- **Policy Decision.** The policy trigger was assigned when policy makers made management and/or political decisions.

Taking into account the Master Plan's main goal and key drivers, Carollo developed a set of specific goals and objectives, summarized in Table 1, to provide a framework and boundary conditions for the City's planning process. These goals and objectives guided the development of alternatives and strategies and help select alternatives based on established evaluation criteria.

Table 1. Integrated Master Planning Objectives

Specific Goals	Integrated Master Plan Objectives
Provide compliant, reliable resilient and flexible systems	• Improve system reliability consistent with industry standards. • Implement redundancy/backup systems for routine maintenance and repairs and to address security threats.
Integrate grey and green infrastructure with an emphasis on energy efficiency	• Optimize energy efficiency of systems. • Investigate green and grey infrastructure options such as low impact development techniques for stormwater and alternative energy sources.
Manage assets effectively (economic sustainability)	• Maximize cost/benefit ratio. • Spend public money wisely.
Integrate community interests and maximize public acceptance (social sustainability) and develop sustainable ongoing communication processes	• Minimize impacts to system due to potential climate change related events (i.e., sea level rise, changing rainfall patterns, etc.). • Minimize impacts to the public.
Mitigate and adapt to potential impacts of climate change	• Minimize impacts to systems due to potential climate change related events (i.e., sea level rise, changing rainfall patterns, etc.).
Protect environmental resources	• Maintain permit/regulatory compliance. • Position City for future regulatory changes.
Enhance environmental sustainability	• Maximize water conservation. • Maximize wastewater reclamation and reuse. • Maintain/minimize groundwater extraction levels. • Maximize beneficial reuse of biosolids.

3. MASTER PLANNING ASSUMPTIONS AND CONSIDERATIONS

A common set of planning considerations and assumptions was used to develop and evaluate the overall Integrated Master Plan and its many contributing elements. These planning considerations and assumptions support the City's positions and most current thinking, direction, and needs related to master planning drivers. However, as with any planning effort, changes in these assumptions and considerations could occur. This master planning process, however, includes flexibility to accommodate some variation in assumed planning forecasts.

POPULATION AND LAND USE

Population and land use projections help to determine the City's planned growth. With these projections, future water demands and wastewater flows can be calculated and used to determine additional water and wastewater infrastructure capacity required. For this Plan, the population and land use projections developed were based on the City's 2030 General Plan and on conversations with the City's Planning Department. The projections shown in Figure 3 were used for all water system planning. The future mix of residential, commercial, and industrial users is assumed to remain largely the same as the current mix, with the largest population increase anticipated to be from residential infill and mixed-use development.

The Integrated Master Plan is flexible and sensitive to changes in the timing of future water utility infrastructure capacity. This results in the "just-in-time" construction of additional capacity, as needed, which allows the Integrated Master Plan to establish the least-cost future Capital Improvement Plan.

CLIMATE CHANGE

Scientists predict that sea levels will rise and more frequent and intense storms will occur. Thus, this Integrated Master Plan focuses on how rising sea levels

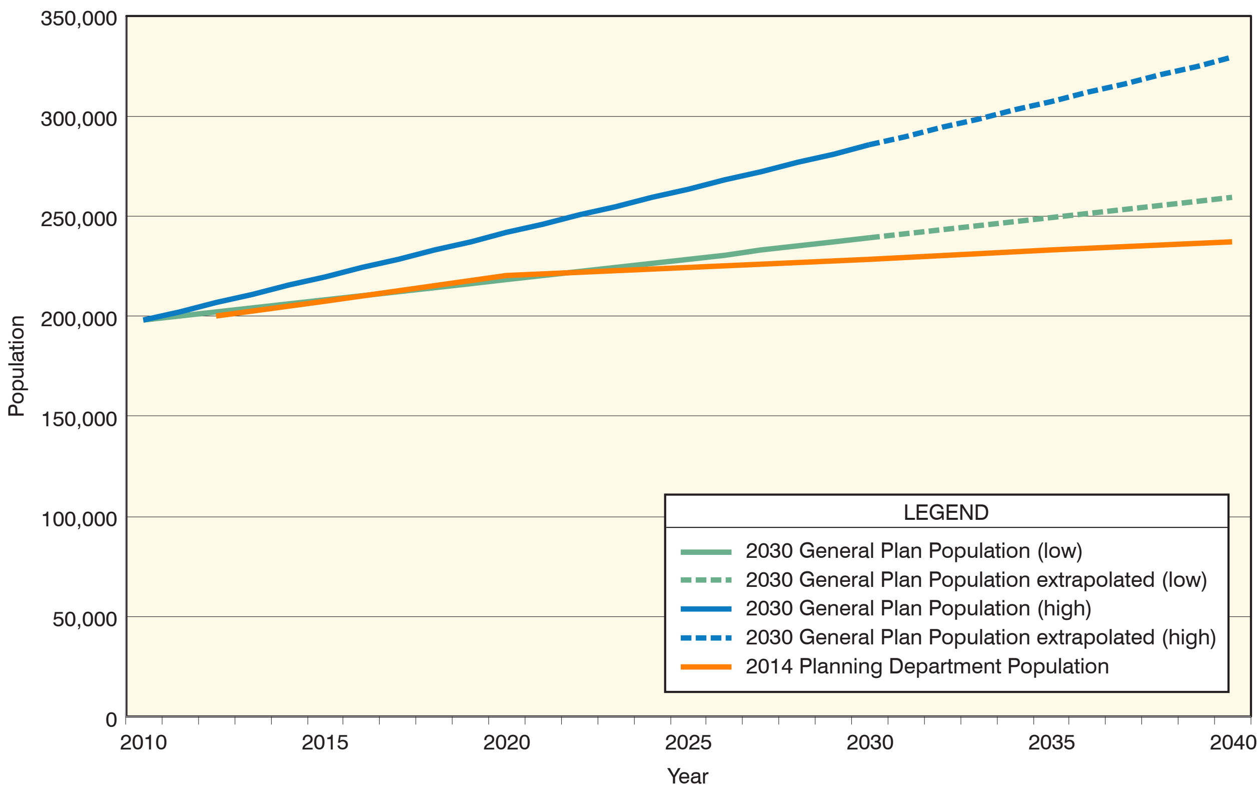

Figure 3. The City's historical and projected population through 2040, assuming population increase due to residential infill and mixed use development.

might affect the wastewater system, and how changes in precipitation patterns and the potential for drought might affect water supply and stormwater collection system capacity. For example, the Federal Emergency Management Agency (FEMA) predicts that portions of the wastewater treatment plant could experience significant flooding because of its low elevation.

REGULATORY

Regulations are constantly evolving. To determine the ability of the City's water systems to adapt to regulatory changes, a regulatory review was conducted for each system. This review analyzed the system's current regulatory performance and its ability to respond to pending shifts in regulations. In addition to this individual utility assessment, an integrated review was performed to understand how changes in one system might affect the regulatory compliance or performance of other systems and what mitigating requirements might be needed.

An integrated review was performed to understand how changes in one system might affect the regulatory compliance or performance of other systems and what mitigating requirements might be needed.

Water System

The water treatment and supply facilities currently meet all state and federal water quality guidelines for both groundwater and surface water. The City is tracking several pending regulations, but none are expected to significantly affect the water system. In addition to following these regulations, the City is monitoring for several constituents (compounds found in water) that relate to public health and water quality. Specifically, the City seeks to limit total dissolved solids to less than 500 mg/L, hardness to less than 100 mg/L, and meet the permit limit of nitrates (as Nitrogen) to less than 10 mg/L. These goals apply to the quality of blended water and were included in the overall assessment of the water system's future needs.

Wastewater System

Regulations for the wastewater system can be divided into three major categories: water quality, air quality, and biosolids.

Water Quality. The City's ocean outfall wastewater discharge is governed by both federal and state requirements through the issuance of the National Pollutant Discharge Elimination Systems (NPDES) permit (CA0054097), which limits the amount of conventional constituents, nutrients, metals, and organic pollutants that can be discharged into US waters. The City's current permit was adopted by the Los Angeles Regional Water Quality Control Board (Regional Board) on July 26, 2013. For this permit, the City is consistently in compliance, but is rapidly approaching the limit of treatment reliability and redundancy.

Air Quality. At the local level, the Ventura County Air Pollution Control District is primarily responsible for controlling air pollution from the Oxnard Wastewater Treatment Plant, which holds operating permits for its gas and diesel engines and odor reduction and control systems. Improvements and changes to the wastewater process and discharge location are likely to require revised air quality permits.

Biosolids. Currently, the City disposes of its screenings, grit, and dewatered anaerobically digested solids (or biosolids) by hauling them to a nearby landfill. This complies with the EPA's 40 CFR 503 regulations, the main federal regulation for handling biosolids, as well as other regulatory requirements. However, using or disposing of biosolids is becoming increasingly difficult and costly in California, with fewer landfills accepting biosolids and many counties restricting the application of biosolids. Thus, several adopted and proposed regulations are expected to affect the City's ability to dispose of biosolids in landfills in the future.

Recycled Water

The City has served urban irrigation uses as of mid-2015 and agricultural uses as of early 2016. The City's long-term plan includes indirect potable reuse through aquifer storage and recovery as well as groundwater recharge. For these specific uses, the following regulations and policies apply:

- **Urban/Agricultural Reuse.** California Code of Regulations, Title 22, Division 4, Chapter 3, Section 60301 et seq. & the Recycled Water Policy (adopted by the State Board and administered through the Regional Board and Division of Drinking Water).

- **IPR/Groundwater Recharge**. Division of Drinking Water Groundwater Recharge Regulations and State Board Recycled Water Policy and Anti-Degradation Policy.

The recycled water regulations noted above are summarized in the following sections. In addition to these regulations, the City's GREAT program is currently permitted under Waste Discharge Permit, Order No. R4-2011-0079-A01, recently amended in July 2015. This permit covers non-potable reuse within the GREAT program.

Because the City will be starting to use recycled water for groundwater recharge through its Aquifer Storage and Recovery Demonstration Project, a Title 22 Engineer's Report and Report of Waste Discharge was submitted to the Regional Board and Division of Drinking Water. The City also developed a Salt and Nutrient Management Plan for the Oxnard Plain Groundwater Basin in accordance with requirements in the Recycled Water Policy and Anti-Degradation Policy.

Stormwater

The City's stormwater system is governed by a stormwater permit (termed a Municipal Separate Stormwater System Stormwater permit [MS4]) held by Ventura County Watershed Protection District and nine other surrounding communities. The Regional Board issued the current MS4 permit on July 8, 2010 (Permit CAS004002, Order No. R4-2010-0108). In addition, the City is a participating party in the Santa Clara River Bacteria TMDL and independently implements the Harbor Beaches TMDL.

GROUNDWATER MANAGEMENT CONDITIONS

One major constraint placed on the City's system is the safe yield of the Oxnard Plain Groundwater Basin, from which Oxnard draws its groundwater. The Fox Canyon Groundwater Management Agency protects the quantity and quality of the local groundwater by overseeing and managing all contractual withdrawals within the Oxnard Plain Groundwater Basin. For future groundwater allocation, this Plan made the following key assumptions:

- Groundwater pumping will be restricted to between 50 and 75 percent of historical allocation.
- Future additional and banked (i.e.: on the books) groundwater credits are not reliable and are therefore not included.
- Pump-back allocation for any recycled water supplied to agricultural users will be at a 1:1 ratio, with a maximum of 5,200 AFY available.

One major constraint placed on the City's system is the safe yield of the Oxnard Plain Groundwater Basin, from which Oxnard draws its groundwater.

An additional consideration is that the Sustainable Groundwater Management Act (SGMA) was passed through the California legislature in September 2014. The goal of this act is to have a sustainable management of groundwater by the year 2042. The full implications of SGMA are not known at the time of publication of this Plan.

SUSTAINABILITY

The City seeks to develop sustainable water solutions and infrastructure. As such, the Integrated Master Plan used the Envision® Sustainability Rating System to develop evaluation criteria and metrics for the strategies and alternatives. Each of the planning goals shown in Table 1 was assessed with the Envision® tool to produce measurable metrics for comparing alternatives.

Although the City has a broad interest in applying sustainable solutions, it specifically aims to reduce energy use and increase energy efficiency throughout the system. In April 2013, the City completed an Energy Action Plan (EAP). As part of this plan, the City committed to pursuing the "Gold Level" distinction in Southern California Edison's Energy Leadership Partnership Program, targeting a 10 percent reduction in energy use for its government facilities. Furthermore, Oxnard's Energy Action Plan expands this 10 percent reduction to the community at large, requiring a 10 percent citywide reduction in electricity and natural gas use.

AGREEMENTS/CONTRACTS

As part of the Integrated Master Plan, current agreements and contracts were organized into a database software program to provide the information for efficient City use. The database table structure was set up to be fully scalable for future buildout and also provide security preferences for different users. Some of the key information included in the database is start and expiration dates, dollar amount of original contract and description of contract scope.

4. KEY OPPORTUNITIES TO INTEGRATE BETWEEN SYSTEMS

The four water utility systems: water, wastewater, recycled water and stormwater, are integrally linked because of their positions in the water cycle. For this integrated planning effort, other potential integration opportunities and linkages were identified during the planning process through integration workshops. These workshops brought together key members from various consultant teams and city departments to provide input, coordination, and feedback on many planning elements. From these efforts, key integration linkages were identified, which are described below.

> Planning parameters and tools, such as population and land use projections, the City GIS database, the planning cost basis, and levels of service, were coordinated among plans.

- **Basis of Planning.** Early on in the project, a common basis of design was identified to improve consistency among system plans. Planning parameters and tools, such as population and land use projections, the City GIS database, the planning cost basis, and levels of service, were coordinated among plans.
- **Water Supply Sustainability.** The City sought to secure a sustainable water supply for its community through the GREAT program. As such, the City proposed a relationship between recycled water and potable water. By planning the potable and recycled water systems together, the City was able to create combinations of alternatives that would have been more challenging to generate had the plans been evaluated separately.
- **AWPF and Outfall/Discharge.** The AWPF facility is an advanced treatment facility consisting of microfiltration (MF), reverse osmosis (RO), and advanced UV disinfection. This treatment process treats a portion of the final effluent from the OWTP secondary treatment process, and produces an excellent finished recycled water quality suitable for the widest range of end uses. It results in a concentrated "brine" waste stream, however, that is blended back into the remaining secondary effluent for discharge through the ocean outfall. As the percentage of secondary effluent that is diverted to the AWPF plant for treatment increases, so does the amount of the brine that is returned for blending and ocean discharge. There are several constituents that are concentrated in the brine that must be addressed to meet existing ocean outfall discharge requirements. There are two categories of concentration effects: 1) conventional NPDES permit limitations for secondary effluent (i.e. biochemical oxygen demand (BOD), and total suspended solids (TSS), and 2) ammonia limits with the Ocean Plan that need to be addressed as future AWPF capacity is increased. The two approaches to address these concentration effects are on-going, and include: 1) regulatory change involving the point of compliance, and 2) treatment of ammonia to reduce effluent concentrations.
- **Source Control.** It is critical to control the quality of wastewater entering the system and ultimately becoming the water source for advanced treatment systems. As part of this Integrated Master Plan, the City updated its local discharge limits from industrial dischargers through a Local Limits Study (Carollo, 2017). The City also developed best management practices for Centralized Waste Treatment facilities, which treat and discharge hazardous and nonhazardous materials. Plus the City began identifying and analyzing the possible users of a concentrate collection line to remove salts from the wastewater collection system.
- **Staffing.** Staff needs throughout the Public Works Department were reviewed and assessed to determine how staff could best facilitate all water-utility related systems.
- **Streets.** A key point of integration with the Integrated Master Plan is the City's Streets Master Plan. To minimize overall disruption to the entire community, the planned improvements recommended (e.g., pipeline replacement/addition) must be coordinated with any street upgrades (e.g., repaving, curb, and gutter addition).

5. EXISTING SYSTEM CAPACITY/CONDITION AND FUTURE NEEDS

A thorough assessment of the facilities associated with the City's four water systems was conducted, which included reviewing operation and monitoring data, conducting condition assessments, reviewing drawings, and completing collaborative discussions with staff. From this effort, Carollo drew several conclusions about the existing systems conditions and capacities, which are noted in the following sections.

Water System — At-a-Glance:

- 3 sources of supply:
  - Imported surface water (Calleguas Municipal Water District)
  - Imported groundwater (United Water Conservation District)
  - Locally controlled groundwater
- 6 blending stations throughout the City where supplies are blended to meet required water quantity/quality
- 9 local potable water wells
- 1 desalter that removes dissolved particles to acceptable levels
- Approximately 613 miles of distribution piping

WATER SYSTEM

The City's water system is a combination of water conveyance and treatment, drawing from the three main sources of water, which are all of unique quality. In general, groundwater sources are high in total dissolved salts and hardness, whereas surface water is softer and less salty.

The average annual water demand is approximately 25,000 acre-feet per year and comes from predominantly residential uses. Projecting out to 2040, the water demand is expected to rise to approximately 38,000 acre-feet per year due to in-fill and projected development.

The City's existing system, shown in Figure 4, is a combination of blending stations, potable drinking water wells, and desalter treatment. Depending on the asset, the overall condition of the existing system is fair to good. Currently, no facilities are in immediate risk of failure; however, a fair amount of facilities must be repaired and replaced to ensure that the City's potable infrastructure lasts well into the future. Regarding system maintenance, two of the highest priorities are to provide cathodic protection and to replace the Supervisory Control and Data Acquisition (SCADA). Regular maintenance needs to also be conducted routinely such as flushing the system, exercising the valves, and conducting an active leak detection program.

The system operates as a single pressure zone, which makes meeting pressure targets a challenge. As demands increase, these challenges are expected to worsen. To assess whether the City would benefit from splitting into two or more pressure zones, a pressure zone analysis was conducted using an updated and calibrated system hydraulic model.

The water system's biggest overall challenge will be to maintain a source of sustainable, high-quality supply.

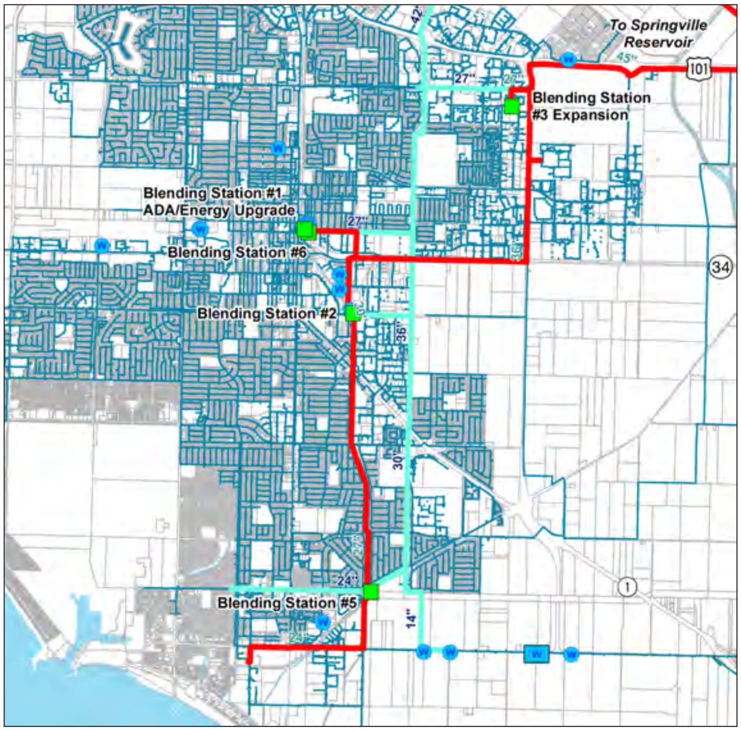

Figure 4. The City's water system is a combination of hydraulic blending stations, treatment, and distribution pipelines.

Though the City currently meets water demand requirements, projections made in the Integrated Master Plan indicate a potential supply gap throughout the planning period. This supply gap, which is based solely on quantity, is projected to be between 3,800 and 10,700 acre-feet per year (illustrated in Figure 5). These numbers depend on the groundwater pumping restrictions, which are expected to be between 50 and 75 percent less than current rates in the long-term.

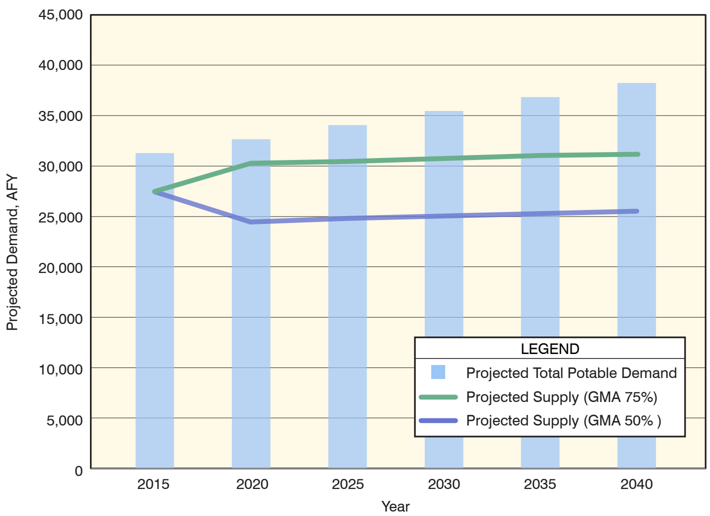

Figure 5. Due to an expected shortfall in supply, the Integrated Master Plan evaluated options for securing a sustainable water supply for the future.

From a water quality and regulatory standpoint, the system meets current regulations for drinking water quality. However, the City wishes to improve upon some taste and odor parameters. The hardness in the blended water is higher than acceptable for some customers, resulting in widespread use of point-of-use softeners throughout the City, which return salt to the wastewater system. Therefore, one of the City's goals is to reach a more acceptable level of hardness in the blended drinking water quality, which would reduce or even eliminate the need for point-of-use softeners. Because of the relatively high hardness of groundwater sources (both local and United Water), reducing the hardness will directly affect the water supply analysis. However, low hardness water could be supplied from the Advanced Water Purification Facility through indirect potable reuse.

WASTEWATER

The Oxnard Wastewater Treatment Plant has a permitted capacity of 31.7 million gallons per day and treats wastewater for discharge to the existing ocean outfall. The Wastewater Treatment Plant includes preliminary, primary, secondary, and disinfection treatment as well as solids handling (shown in Figures 6 and 7). Recent historic average dry weather flows are approximately 20 million gallons per day. If the same flow were projected out to 2040, it would be expected to increase to 27.5 million gallons per day. By 2040, the loading rates of total suspended solids and organics, which are measured by biological oxygen demand (BOD), are expected to increase at a minimum to moderate level.

Though the City consistently meets its discharge permit requirements, much of the wastewater treatment plant is in poor condition and reaching the end of its useful life. Because of this, major investment in repair and replacement is needed in the near future to improve the reliability and safety of plant operations.

Replacement is recommended for a number of process facilities, namely the primary clarifiers, dissolved air flotation thickeners, gravity thickeners, digesters, interstage pump station, effluent pump station, and cogeneration facility. Additionally, due to safety concerns, the biotowers should be demolished as soon as possible. Cathodic protection, SCADA, and electrical upgrades are also needed on key processes and buried facilities.

Wastewater System — At-A-Glance:

- Wastewater collection - Approximately 384 miles of gravity collection pipe, 5 miles of force main collection and 15 lift stations
- Preliminary Treatment - bar screens, screenings conveyance, grit removal, and grit conveyance
- Primary Treatment - 4 primary sedimentation basins with chemical addition
- Secondary Treatment - 2 biotowers, 2 activated sludge tanks, and 18 secondary sedimentation basins
- Equalization - 2 basins
- Disinfection - 2 chlorine contact tanks
- Solids Treatment - 2 gravity thickeners for primary sludge thickening, 2 dissolved air flotation thickeners for waste activated sludge thickening, 3 anaerobic digesters, and 4 belt filter presses for dewatering

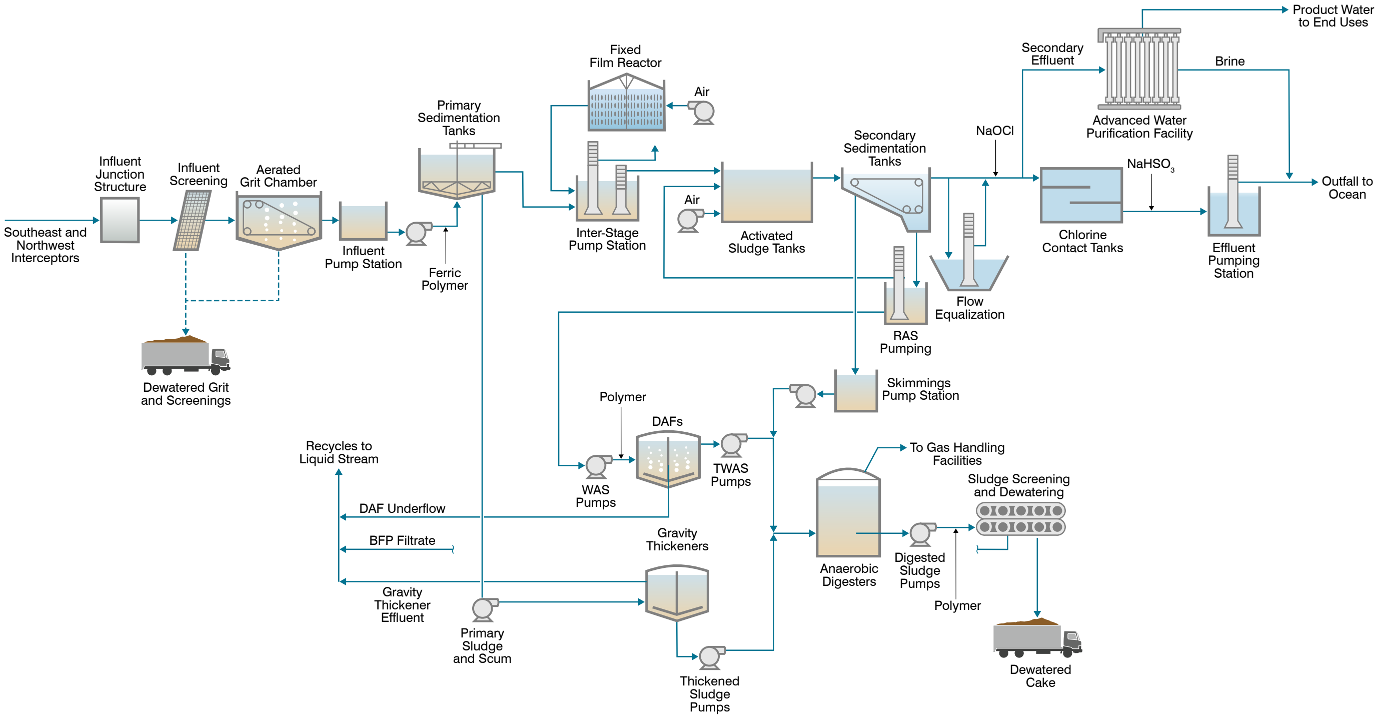

Figure 6. A schematic of the treatment processes currently in use at the Oxnard Wastewater Treatment Plant.

In general, the wastewater unit processes have operated at loading rates well within their original design values or typical operating ranges. In addition, performance has been adequate, and some of the unit processes do not operate with all units in service.

Though the liquid treatment process appears to have sufficient capacity for projected future flows, the solid process does not. In addition, the secondary process does not have the ability to nitrify or denitrify, both of which may be needed as more of the City's treated wastewater effluent is treated to become recycled water.

For the wastewater collection system, some sewers will need to be replaced to meet level-of-service criteria during peak dry weather flow conditions based on current and future growth estimates. In addition, the City will need to consider routine repair and replacement due to age, based on the City's understanding of project needs. The Central Trunk Sewer is also experiencing collapsing manholes that will need to be repaired and replaced.

RECYCLED WATER

The City's recycled water system is a product of the GREAT program, with most parts of the system only recently coming online for full-time operation in 2016. Currently, the recycled water system is used to provide unrestricted reuse water for urban irrigation to the River Ridge Golf Club as well as for agricultural irrigation to growers on the Oxnard Plain through Pleasant Valley County Water District's irrigation network and the Oxnard Recycled Water Pipeline in Hueneme Road. Figure 8 illustrates the location of existing recycled water lines.

Under the GREAT Program, the Advanced Water Purification Facility is planned to be constructed in four phases, resulting in capacities of 7,000, 14,000, 21,000, and 28,000 acre-feet per year. The first phase is complete (7,000 acre-feet per year or 6.25 million gallons per day of recycled water capacity) and is in

Recycled Water System — At-a-Glance:

- Source of Supply - City's secondary wastewater effluent
- Advanced Water Purification Facility (membrane treatment, advanced oxidation, and disinfection) capable of producing 6.25 mgd of recycled water effluent (Phase 1)
- Finished water pump station that pumps to the Recycled Water Backbone Pipeline for urban irrigation uses
- Ocean View pump station that is delivering recycled water to farmers through temporary use of the Salinity Management Pipeline until the Hueneme Pipeline is completed

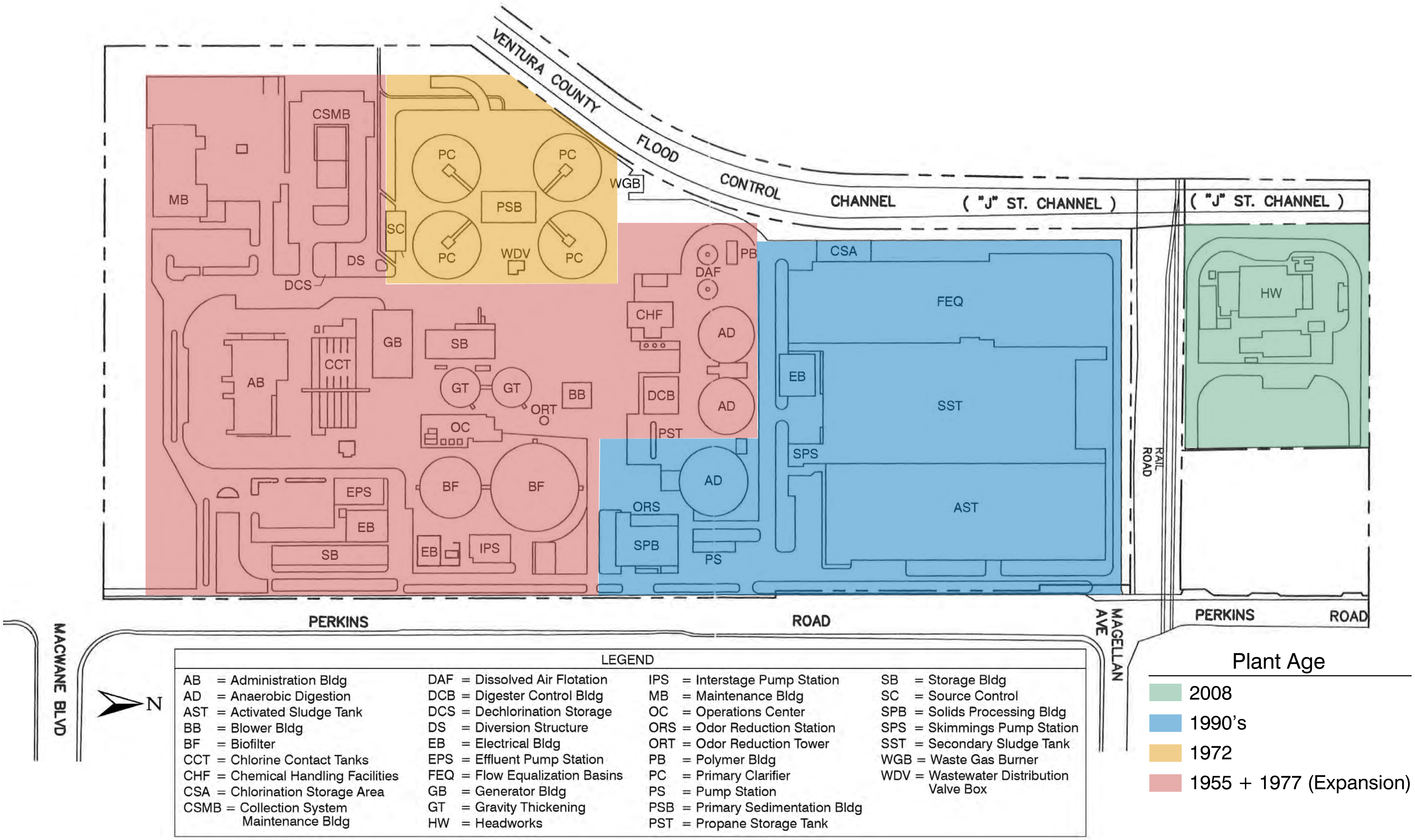

Figure 7. The Oxnard Wastewater Treatment Plant consists of preliminary, primary, and secondary treatment, effluent disinfection and solids handling facilities.

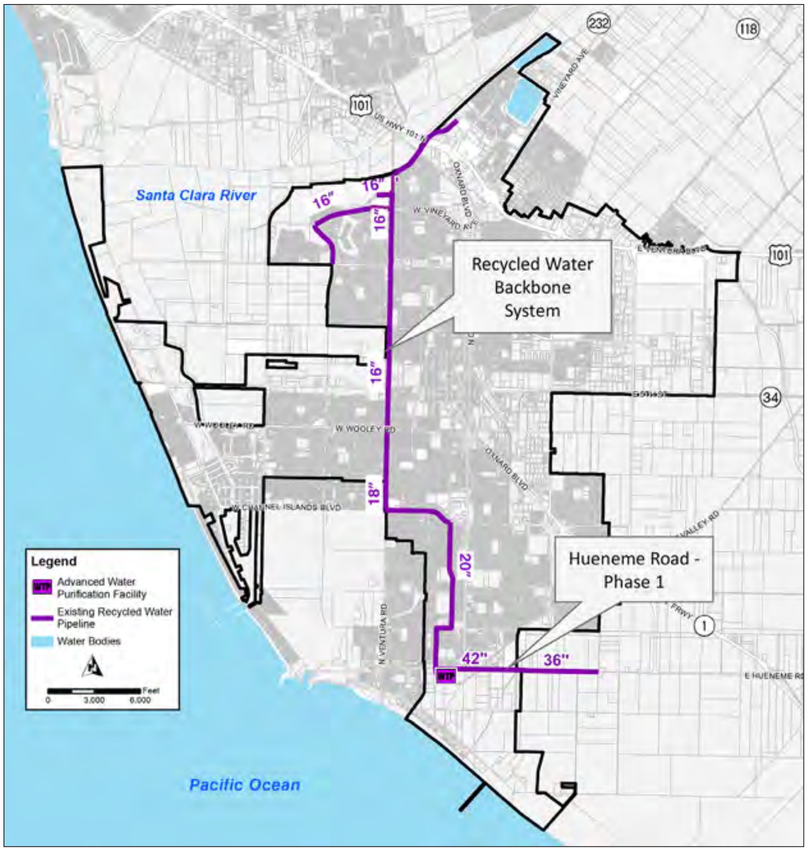

Figure 8. The City serves both urban and agricultural reuse customers with recycled water.

operation. Figure 9 provides a schematic of the treatment facility. For this phase, the current capacity is allocated to urban irrigation, industrial reuse, agricultural irrigation, and indirect potable reuse. As subsequent phases of the Advanced Water Purification Facility finish, the preferred schedule will be to first deliver recycled water to recycled water users currently under contract, second to indirect/direct potable reuse, and third to additional agricultural users, which could benefit the City groundwater due to pump-back credits.

The City is constructing an Aquifer Storage and Recovery Demonstration well (ASR Demo Well), which is expected to finish in 2018. The construction of this well is grant funded and will serve as a test well for understanding how indirect potable reuse will work moving forward. Initially, the ASR Demo Well will be used as an aquifer storage and recovery well for the recycled water system. In this case, recycled water from the Advanced Water Purification Facility will be injected into the ground and then extracted and returned to the City's recycled water system for irrigation use. Ultimately, once all of the required start-up testing and monitoring is complete, the well will switch

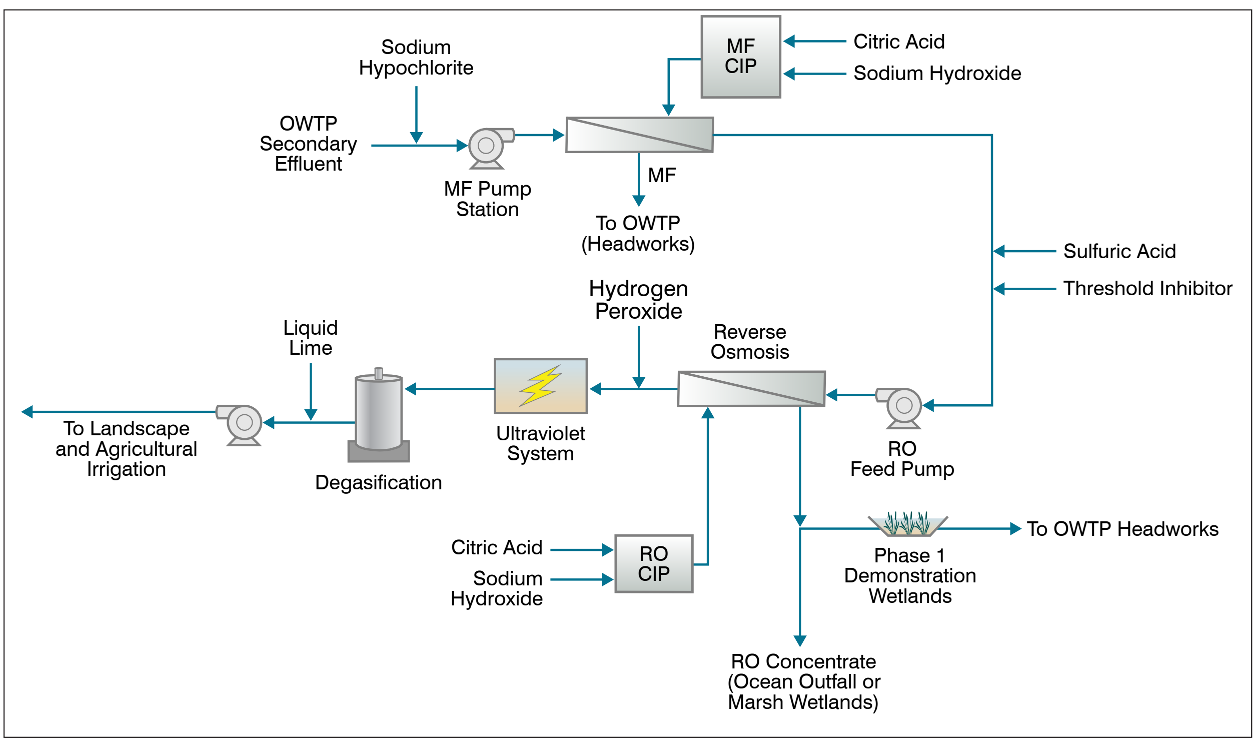

Figure 9. The Advanced Water Purification Facility includes microfiltration, reverse osmosis, and advanced disinfection.

to indirect potable reuse operation, and the extracted water will be conveyed to the nearby Water Campus (Blending Station No. 1) for disinfection and injection into the potable system.

STORMWATER

The City's stormwater system serves the City and surrounding lands that drain into Oxnard, an area that covers approximately 35 square miles. Drainage channels for this area are either partly or completely under the jurisdiction of the Ventura County Watershed Protection District and discharge directly into the ocean or into the Ventura County facilities before discharging to the ocean. The City's existing storm drainage system collects and conveys stormwater runoff from developed and undeveloped areas throughout the City.

During the condition assessment, the City's stormwater system was found to be in relatively good condition, with only 12 percent in poor or very poor condition. During the level-of-service analysis, significant surcharging was found for a 10-year, 24-hour storm event in the City's storm pipes located in the downtown core of the City. However, this surcharging is likely not related to the drainage pipe's capacity as much as it is to the Ventura County Channels' conveyance capacity. In similar locations, the existing storm drain system lacks sufficient capacity to convey the 100-year design runoff while meeting the flooding criteria.

Although major upgrades to the City's existing stormwater system are not needed, the City might benefit from adding a dry weather diversion into its system. Dry weather flows, including flow from irrigation runoff, pool draining, washdown water, construction work, and likely shallow groundwater infiltration, could be diverted to the wastewater plant for treatment and potential reuse at the Advanced Water Purification Facility.

Additionally, the City recently completed a Green Alleys Plan, the goal of which was to identify City alleys that are good candidates for green alley projects and to provide a framework to guide the future design and implementation of these projects. In reviewing the Green Alley program results, some of the high priority public alleys were noted to overlap with the observed areas of flooding. Figure 10 shows the areas of high priority for Green Alleys projects, along with the existing flooding areas.

Stormwater System — At-A-Glance:

- City owned - Approximately 162 miles of storm drains and open channels and 5 stormwater pump stations
- Ventura County owned - Approximately 28 miles of open channels

In addition to the structural needs addressed above, the City faces a total maximum daily load restriction for indicator bacteria in the Santa Clara River Estuary. This load limit will require participating agencies, including Oxnard, to prepare an implementation plan that outlines proposed activities to reduce the bacteria and trash loads to the Estuary.

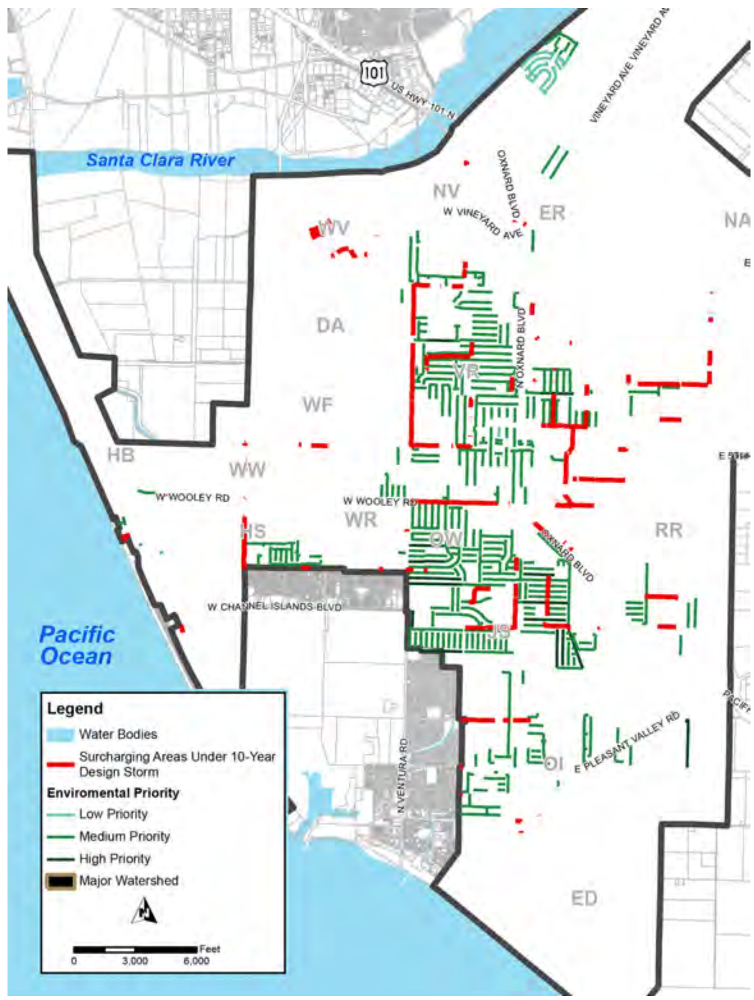

Figure 10. High Priority Green Alleys Environmental Improvements and Flooding Areas.

SUMMARY OF FUTURE NEEDS

When considering the future needs of each water system, categorizing them by their corresponding planning driver is helpful. Table 2 matches each future need with its planning driver.

Table 2. Summary of Future Needs Categorized by Planning Driver

Driver	Water	Wastewater	Recycled Water	Storm Water
Repair and Replacement (R&R)	• Cathodic protection • Select water main replacement due to age and fire flow needs • Routine maintenance on blend stations • Automatic Meter Reader Devices • Security needs	• Repair and/or replacement needed on almost every treatment plant process • Seismic/structural upgrades needed on several facilities • Cathodic protection of buried plant piping, clarifiers and digesters • Select sewer replacement due to age	• Minor improvements to the advanced water purification facility	• Select storm water pipeline/culvert replacement due to age and condition
Regulatory		• Potential addition of nitrification/ denitrification		• Infiltration basin to meet total maximum daily load allocation for indicator bacteria
Operational Optimization	• Electrical rehabilitation • Generator and ATS service • Turnout service	• Biotower removal • Interstage pumping reconfiguration(1)	• Addition of diurnal storage and booster pumping	
Growth/ Capacity/ Water Supply	• New potable wells • Upgraded pipelines to meet projected demand • Pressure zone separation	• Solids process expansion • Expansion of select sewer pipelines	• Expansion of advanced water purification facility • Addition of aquifer storage and recovery wells • Addition of recycled water distribution forcemains	
Resource Sustainability		• Blower and cogeneration replacement • Fats, oils and grease receiving station		• Dry weather stormwater diversion • Incentive program to encourage using stormwater as an offset to potable use
Improved LOS	• Additional desalting capacity to improve water quality • Pressure zone separation			

(1) Project satisfies driver for Resource Sustainability as well.

6. KEY FEATURES OF THE RECOMMENDED 25-YEAR PLAN

With future needs identified, recommended projects can be developed to meet those needs. This section presents the rationale for the City's Capital Improvement Plan (CIP). The complete CIP is presented at the end of the Executive Summary. For each system, the set of recommended projects uses the existing system's condition assessment, capacity, and performance needs in meeting projected future demands and the water quality objectives summarized below. Once the implementation timing was determined based on the technical aspects noted above, the CIP was then revised, as needed, to meet the City's near-term financial and budget limitations noted in the Cost of Service Studies. These projects cover the needs of the entire planning period for this Integrated Master Plan (through 2040). Though the overall Capital Improvement Plan was combined and integrated to account for potential linkage opportunities, each system plan is presented individually for added clarity and simplicity.

The complete CIP is presented at the end of the Executive Summary. These projects cover the needs of the entire planning period for this Integrated Master Plan (through 2040).

The lists presented in the CIP should be considered "draft" until the environmental review and assessment for the Integrated Master Plan are complete. Once the environmental review process is complete, the recommended project list will be reviewed and revised as necessary and made final.

The recommended projects are based on evaluations of conventional and advanced treatment requirements, the analysis of master plan alternatives and scenarios from the previous sections, numerous integration workshops and meetings with the City, and additional facilities planning conducted after the December 2015 publication of the project memos.

CAPITAL COSTS

The estimated capital (or project) costs presented are based on preliminary layouts and suggested unit process sizes. Construction costs have been estimated using information from estimating guides, equipment manufacturers, previous City construction projects, and construction costs of similar facilities designed by Carollo Engineers.

While the estimated construction costs represent the average bidding conditions for many projects, variation in bidding climate at the time the facilities are constructed could affect actual costs. The facilities' size may also be refined during preliminary and final design based on the most current operational information available. As a result, the actual construction costs may be lower or higher than estimated.

Although costs have been adjusted to cover special conditions known at this time, planning estimates are not as accurate as estimates prepared in conjunction with final design. The overall expected level of accuracy of the project cost estimates prepared for this Integrated Master Plan is +30 percent to -20 percent, which is consistent with the guidelines established by the American Association of Cost Engineers for planning studies.

Capital (or project) costs for the Capital Improvement Plan are based on a February 2015 20-City Engineering News Record Construction Cost Index of 9962 and were adjusted for City location as necessary. This date is used as the base level to which construction costs are adjusted, unless otherwise noted in the CIP. Therefore, all costs presented will reflect February 2015 cost levels. This means that actual costs may be higher than presented, depending on when the facilities are finally constructed. For the financial analysis, the estimated costs are escalated to the projected time of construction.

PROJECT PHASING

The projects presented in the Capital Improvement Plan were split into three projects timing phases:

- Immediate Needs (First 2 years)
- Near-Term Needs (Years 3 to 5)
- Long-Term Needs (beyond 5 years)

This project timing matches the Cost of Service Studies approved (Carollo, 2017).

While the estimated project costs and phasing presented are consistent with those developed for the Cost of Service Studies (Carollo, 2017), the timing implemented for those phases may differ.

While the estimated project costs and phasing presented are consistent with those developed for the Cost of Service Studies (Carollo, 2017), the actual timing implemented for those phases may differ. Some of this is because the timing and implementation of certain projects use assumptions with a range of uncertainty. These uncertainties include the rate of population growth, timing and performance standards for future regulatory requirements, the outstanding planning considerations mentioned above, and the development of new technologies and associated reliabilities. Thus, while the overall investment and total Capital Improvement Plan budget over the 25-year planning horizon is consistent with the Integrated Master Plan and the Cost of Service Studies, the implementation timing of some projects may differ with the variability in the underlying assumptions of Integrated Master Plan drivers.

WATER SYSTEM

Figure 11 illustrates the location of the recommended water system improvements for securing and sustaining the City's water supply. Since the recommended projects work in concert with the recycled water improvements, both are shown together.

Water Supply

Securing a sustainable water supply for the City will come through a combination of additional potable water pumping and recycled water aquifer storage and recovery. As such, new potable water supply wells are needed to maintain the reliability of the City's local groundwater pumping operation and to add system reliability. These new wells will replace and bolster the City's current local groundwater pumping capacity.

Because Blending Station No. 1/6 and Blending Station No. 3 are the most favorable locations for potable groundwater pumping due to the significant existing infrastructure in both locations, these sites were selected for locating the new potable wells.

In general, most of the City's distribution system is capable of handling current and future demand flows, with the exception of some pipes in the immediate vicinity of the blending stations. As demands rise, the velocities in these pipes will likely exceed level-of-service criteria. Although the list of recommended projects includes replacing these pipes, the exact year for replacement needs to be determined after coordination with the Cost of Service Studies and the Project Memorandums contained in this Integrated Master Plan.

Also of note is a separate project indirectly related to water supply, which involves constructing a dedicated concentrate pipeline from Blending Station No. 1/6 to the Wastewater Treatment Plant's ocean outfall. This pipeline is especially needed since increasing the desalting capacity as local groundwater pumping increases is recommended. Furthermore, the City discharges brine from the existing desalter back to the Wastewater Treatment Plant, which, over time, could adversely affect the Advanced Water Purification Facility. Adding a dedicated concentrate pipeline could prevent this from occurring.

Repair and Replacement

A number of projects related to repair and replacement for the water system were identified through the efforts of this Integrated Master Plan and City staff. These improvements are broken down into two broad categories: above-ground assets (blending station/treatment) and below-ground assets (distribution system piping).

Blending Station/Treatment. Replacing the cathodic protection systems is needed for the desalter and steel permeate storage tank. The water Supervisory Control and Data Acquisition (SCADA) system is also slated for complete replacement and upgrade.

Distribution. Distribution system piping improvements are needed for the replacement of aging pipes

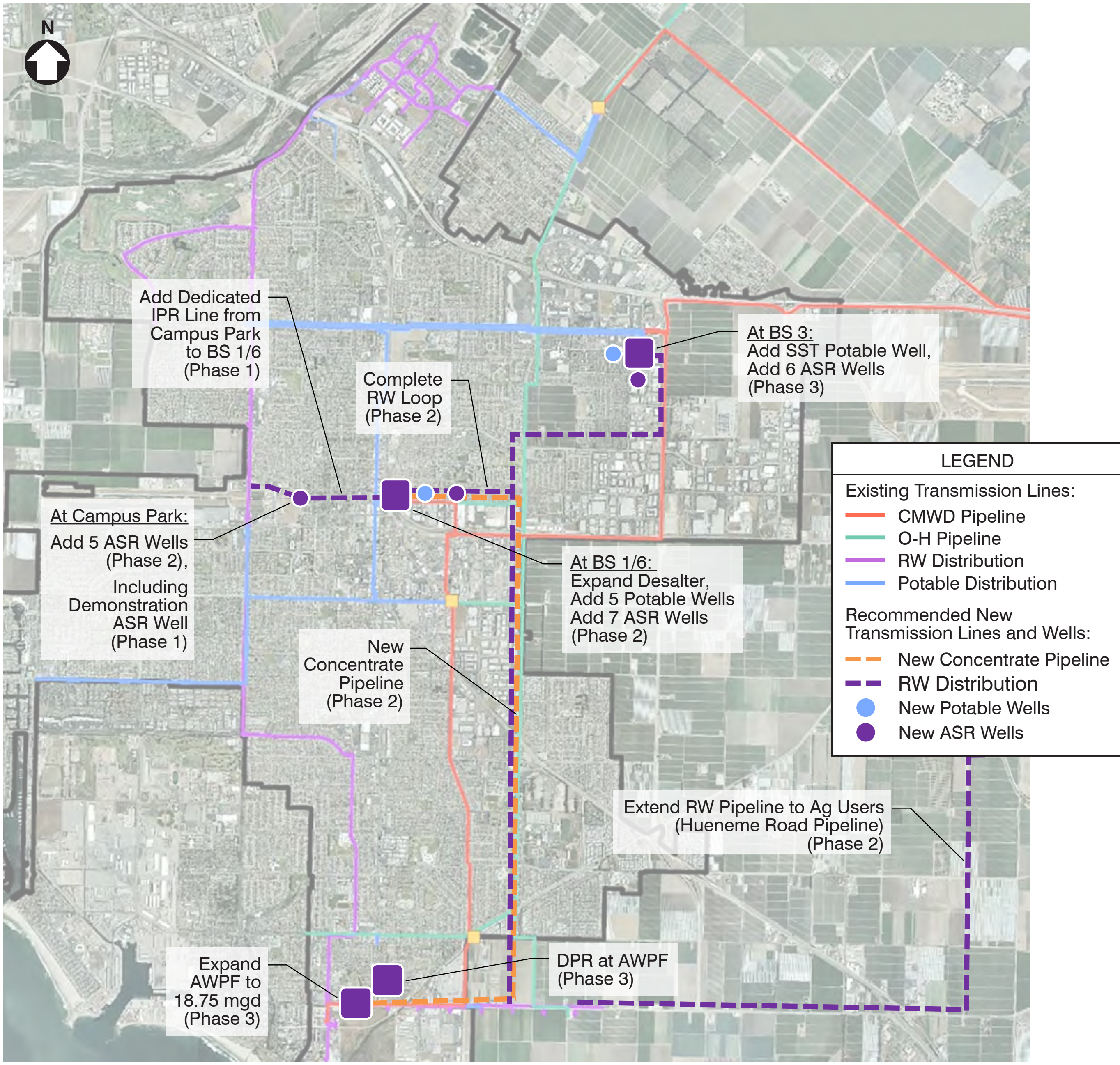

Figure 11. Recommended water/recycled water projects for water supply.

to meet reliability and redundancy requirements, and to protect public health. New piping is recommended to provide adequate fire flow water. Cathodic protection projects were identified for several key water force-mains throughout the City. Replacing the automatic meter reader devices is also imperative for accurate billings and water use data.

> For potable water customers, water quality and pressure are the two most readily perceived issues with water service.

Operations Optimization

The City is also working on several optimization projects for the City's water system operation. These projects were identified and included as recommended projects in the CIP.

Improved Level of Service

For potable water customers, water quality and pressure are the two most readily perceived issues with water service. If the City is to maintain and improve its high level of service to its customers, two main projects are recommended, and are described below.

Water Quality. Because of the groundwater supply's high level of hardness, the City operates a desalter to reduce the hardness level of blended water to approximately 350 mg/L. However, many customers still find the water dissatisfying and run their own softeners. These softeners increase the salt concentration, which adversely affects the Wastewater Treatment Plant and Advanced Water Purification Facility.

To improve the quality of the water supply, increasing the current and future supply's desalting capacity so it can meet a target hardness level of 100 mg/L is the most cost-effective option. To facilitate this project, the existing 7.5 million gallon per day desalter located at Blending Station No. 1/6 will be expanded to a total treated water capacity of 15 million gallons per day.

Water Pressure. Based on the pressure zone analysis, it is recommended to reduce service pressures outside of the established delivery pressure criteria by breaking its single pressure zone distribution system into four pressure zones: North, Coast, Central, and South. Figure 12 illustrates these pressure zone areas.

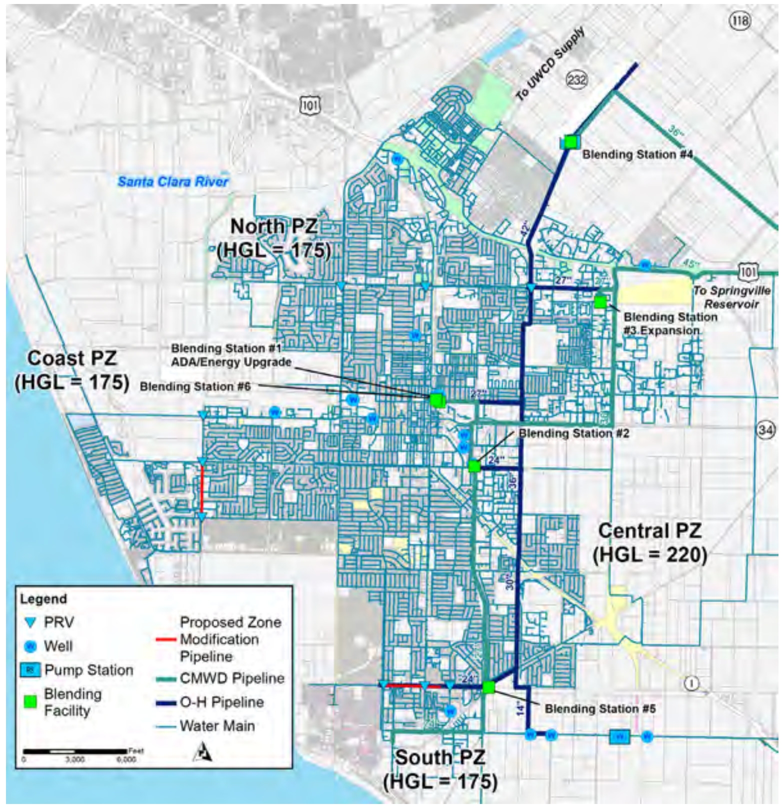

Figure 12. Proposed Pressure Zone Separation within the City's Water System.

WASTEWATER

Figure 13 shows the recommended projects for the wastewater treatment facility, which are categorized by implementation phase. The projects and phasing shown here represent one possible solution to upgrading the Oxnard Wastewater Treatment Plant. Between the time of original publication of the Final Draft Plan in 2015 and this Revised Final Draft publication in 2017, the City continued to review and optimize the recommended policies, projects and programs. Therefore, certain wastewater projects have been refined and updated. However the overall intent is the same, to upgrade the facilities that have served their useful life to achieve improved financial and implementation strategies, to accommodate technology updates, and address climate change strategies. It should be noted that these refinements and optimizations were generally not related to capacity needs.

Two overarching wastewater treatment locations were considered, namely, repair in place and relocate most of the wastewater treatment plant. Both are described in this section.

COLLECTION SYSTEM

Capacity

Projects related to increasing the wastewater system's capacity involve the collection system, and these projects are relatively few. Specifically, there are three main capacity projects, all of which are identified in the CIP.

Repair and Replacement/Improved Performance

Collection System. There are approximately a dozen identified repair and replacement and performance-based projects which are summarized in the CIP. These projects are located in various places throughout the City's collection system.

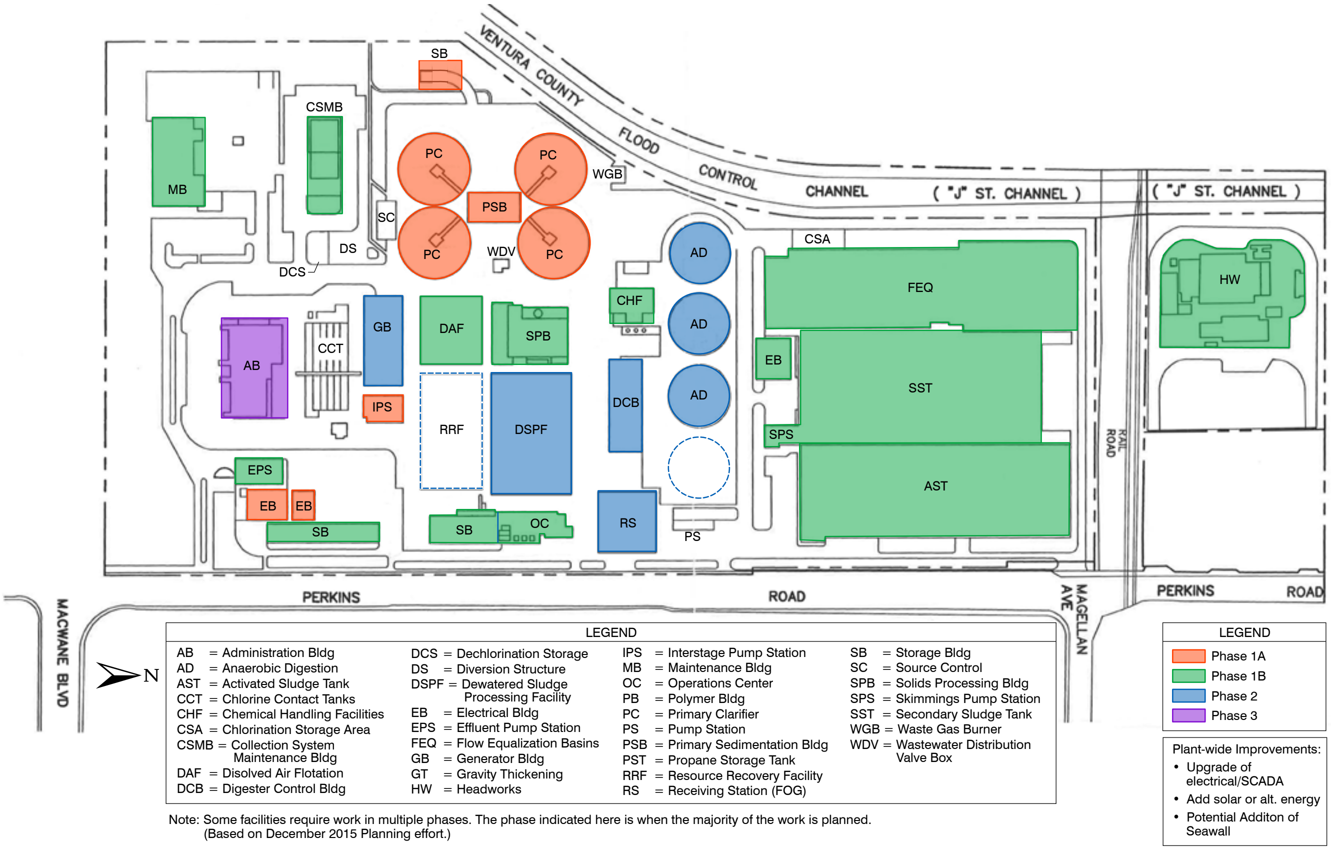

Figure 13. Recommended Wastewater Treatment Plant Projects by Implementation Phase.

TREATMENT SYSTEM

Repair and Replacement

Headworks. The proposed headworks improvement projects are to improve reliability and to help maintain a fully functioning and permit-compliant facility.

Primary Treatment. All four clarifiers and the associated primary clarifier building need to be replaced to increase the treatment plant's reliability and safety for plant operators due to seismic criteria and deteriorated condition. A new influent new splitter box is recommended to improve flow control.

Secondary Treatment. Based on the plant condition assessment and seismic evaluation, several improvements were identified in the secondary treatment process. Because the secondary process has sufficient capacity to meet future needs, the recommended projects are intended to address aging facilities and to improve operability and performance rather than increasing capacity.

Disinfection. For continued reliability of the disinfection system, concrete repairs and a new interior coating are recommended on the disinfection contact tank. Replacing the associated gates and operators as well as the sodium hypochlorite storage tanks and pumps is also recommended.

Effluent Pumping. The effluent pump station building and the associated effluent pump station equipment, all nearing the ends of their useful lives, should be replaced. These improvements will provide reliability for downstream users and will enhance safety for plant operators.

Solids Treatment. Based on the plant condition assessment and seismic evaluation, several improvements were identified in the solids treatment processes. Furthermore, the solids handling facilities do not have sufficient capacity for the expected increase in sludge production from removing the biotowers and adding an anaerobic selector in the activated sludge tanks. Because of these anticipated changes, additional solids handling units are needed.

Cogeneration. Because a seismic review found the cogeneration building to be nonconforming for the Immediate Occupancy performance level, replacing the building and the associated cogeneration equipment is recommended. However, because this project is not as critical as some of the others listed, it is slated for a later phase of the plan. An interim replacement for the building roof will be needed in the immediate future.

Electrical Systems. The majority of the existing electrical equipment at the treatment plant is in poor condition and needs to be replaced. All of the motor control centers (MCCs) throughout the plant are past or nearing the ends of their useful lives. In addition, the existing generators cannot be brought online quickly enough to meet new standards for emergency standby. Thus, new generators are recommended to supply the plant with emergency power. Furthermore, a new supervisory control and data acquisition (SCADA) system is needed for adequate plant process operation and control.

Non-Process Facilities. Various assessments for this Plan also identified several non-process facilities improvements. The major improvements are as follows:

> Various assessments for this Plan also identified several non-process facilities improvements.

- Cathodic protection of major treatment plant assets and annual cathodic protection maintenance
- Repaving the plant site once major improvements have been completed
- Adding a new Computerized Maintenance Management System (CMMS) for more uniformity and the ability to share data between divisions and departments
- Replacing various heat pumps and air conditioning condensing units with more efficient models

Resource Sustainability

Several projects focusing on resource sustainability were also identified. These projects were aimed at recovering resources onsite and decreasing waste sent offsite. Some of the projects also address issues with resiliency and reliability from potential climate change effects. These projects are described below.

> Some of the projects also address issues with resiliency and reliability from potential climate change effects.

- Add a **fats, oil, and grease receiving station** to provide flexibility in timing the addition of fats, oil, and grease to prevent slug loading, which can lead to digester upsets. Adding a receiving station will also allow fats, oil, and grease to be added when energy costs are high.
- Add **solar cells** to the rooftops and carports throughout the facility. Adding solar cells would increase the amount of energy produced onsite, thus helping the OWTP become energy self-sufficient.
- Add a **membrane bioreactor** (MBR) to address potential nutrient requirements placed on the outfall from increased levels of water reuse that concentrate ocean discharge. Adding membrane bioreactors is recommended as a "placeholder" technology to replace the secondary sludge tank. The bioreactors would treat all wastewater flow.
- Add **ultraviolet/advanced oxidation process** as a recommended additional step after installing the membrane bioreactors. This process would allow flows to be sent to the Advanced Water Purification Facility. One concern with a high reuse percentage is that the concentrate will not properly disinfect water. If this occurs, an additional disinfection process is recommended to address potential pathogen and toxics concerns.
- Allocate funds for the future **seawall** to protect the low-lying plant site from the potential effects of sea level rise. Predictions show that by 2040, the 100-year storm sea level could rise as much as seven feet, which would flood every major process unit.

Alternative Treatment Plant Location

Improvements to the treatment facilities on the existing plant site as previously described is considered the most viable short-term option. In the long-term, however, possibly relocating all or many of the treatment processes to a different location near the Advanced Water Purification Facility could be more attractive because of the extent of repair and replacement needed at the current site, and due to the potential flooding risk from rising sea levels.

To evaluate both sites, a preliminary master planning-level cost estimate was developed, which revealed little difference in the comparative cost of building wastewater treatment plant facilities in either location. It should be noted that for this high-level comparison, conventional secondary treatment was assumed for both options. However, further assessment is needed to confirm the selection of conventional secondary treatment and/or nutrient reduction, especially in light of the various regulatory and integration aspects of the water reuse program.

If the City chooses to relocate some or all of the processes to a new site, it would need to further consider the regulatory, timing, and financial feasibility. Specifically, planning work could take approximately five to ten years to complete. Because these efforts take time to finish and much of the Wastewater Treatment Facilities are in poor condition, a number of critical improvement projects must be completed before moving forward.

RECYCLED WATER

The location of the recommended recycled water system improvements was shown previously in Figure 11. These improvements are shown together because the water and recycled water improvements work in concert with one another to offer a new sustainable water supply.

Repair and Replacement

The Advanced Water Purification Facility was completed in 2012 and is now operating at full capacity. For this facility, only minor improvements are considered. Over time, the City is planning to retrofit the connection to approximately 40 urban irrigation customers for recycled water delivery.

Water Supply

A key component of providing a sustainable water supply is the use of indirect potable reuse with recycled water from the City's Advanced Water Purification Facility. For this reason, the recommended water supply projects for the recycled water system will involve expanding the system to operate as an indirect potable reuse system. These expansions are described below.

Treatment. Phase 2 will involve expanding the existing 6.25-million gallons per day Phase 1 Advanced Water Purification Facility. This facility of membrane and disinfection treatment trains can be modularly expanded without requiring additional ancillary equipment, such as cleaning and support systems. A Phase 3 expansion of the Advanced Water Purification Facility would require more treatment and ancillary equipment be added to meet the additional capacity, along with influent flow equalization.

Recycled Water Distribution. Current efforts to expand the recycled water distribution system have focused on delivering recycled water to urban and agricultural users east of the City, which will be accomplished with Phase 2 of the Hueneme Road Pipeline. The alignment of this pipeline will start at the terminus of the Hueneme Road Phase 1 Pipeline and terminate just before Lewis Road. The pipeline will also supply farmers with an agricultural demand of up to 5,200 acre-feet per year depending on the recycled water supply available.

> Adding these wells will correspond to the Phase 2 expansion of the Advanced Water Purification Facility and should help to meet potable water demands through approximately 2030.

Phase 2 includes construction of the recycled water loop, which will feed the various proposed aquifer storage and recovery locations at Campus Park and Blending Station No. 1/6. The recycled water loop starts at the existing Recycled Water Backbone pipeline and completes the remaining three sides of the loop with a combination of 20-, 24-, and 30-inch pipelines (see Figure 11). For Phase 3, a 24-inch pipeline should be installed that connects Blending Station No. 3 to the recycled water loop.

Indirect Potable Reuse. Implementing indirect potable reuse as a supplemental water supply within the City is planned to occur in phases, which are described below.

Phase 1 involves constructing the ASR Demo Well, as previously discussed. In adding this well, the City can assess the feasibility of the indirect potable reuse process in real-time and refine the assumptions for the aquifer capacity and the quality of extracted water.

For Phase 2, the majority of the aquifer storage and recovery wells would be installed for supplemental water supply use, which would also occur in phases. First, the Campus Park site would be "built out," adding four additional aquifer storage and recovery wells, each with its own set of monitoring wells (i.e., three monitoring wells per recovery well). Currently, a "built-out" aquifer storage and recovery site would also have operational storage sized to offset peak hour flows, booster pumping, and add conditioning facilities, such as disinfection and fluoride. However, because the Campus Park site is close to Blending Station No. 1/6, housing the ancillary equipment at Blending Station No. 1/6 makes more sense. Thus, extracted indirect potable reuse water would be conveyed from Campus Park to Blending Station No. 1/6 for storage and conditioning.

After the Campus Park aquifer storage and recovery wells are built out, four wells would be added near Blending Station No. 1/6 site and additional property near Blending Station No. 1/6 would need to be acquired, which the City has discussed with property owners. Adding these wells will correspond to the Phase 2 expansion of the Advanced Water Purification Facility and should help to meet potable water demands through approximately 2030.

To provide direct potable reuse at some future date would involve adding more aquifer storage and recovery wells, located at Blending Station No. 3, and/or additional facilities. Direct potable reuse circumvents injecting recycled water into the groundwater basin or extracting it, allowing the water to be discharged into above-ground storage tanks instead. After a period of monitoring and verification, the water can then be combined with the potable water system. These storage tanks could be located near the Advanced Water Purification Facility.

STORMWATER

Figure 14 shows the relative recommended project locations for the Stormwater System's necessary capacity upgrades.

Repair and Replacement

Approximately 12 percent of the stormwater collection assets evaluated need immediate attention or attention within the next five years. This percentage equates to approximately 20 projects related to repair and replacement, which should be addressed in Phase 1.

Capacity

Stormwater collection system improvements focused on the capacity needs determined from collection system modeling. The modeling identified over a dozen main capacity projects, which are summarized in the CIP to address the stormwater systems' capacity needs over the next 25 years. These projects include upgrading sections of culvert and/or piping to reduce surcharging and flooding in specific areas throughout the City.

Regulatory

In response to the total maximum daily load for indicator bacteria placed on the Santa Clara River Estuary, a draft Implementation Plan was developed in March 2015. Within the Implementation Plan, potential infiltration basins and subsurface infiltration basins for both dry and wet weather stormwater are recommended throughout the watershed, including one located at South Bank Park in Oxnard. The City will be expected to cover the cost of this infiltration basin, which helps mitigate the regulatory requirements.

Resource Sustainability

Two opportunities exist for making the City's stormwater system more sustainable for creating and conserving water for potable use. These opportunities are described below.

> Two opportunities exist for making the City's stormwater system more sustainable for creating and conserving water for potable use.

The first opportunity would be to divert dry weather stormwater channel flows to the Wastewater Treatment Plant for treatment and potential reuse at the Advanced Water Purification Facility. Typically, dry weather flows include flow from irrigation runoff, pool draining, washdown water, construction work, and other related activities. In Oxnard, dry weather flow is likely shallow groundwater infiltration. Diverting this dry weather flow could potentially create another water source, albeit a small one, for the City's reuse program.

The second opportunity is to create a citywide incentive program that targets capture stormwater to offset potable water use. This program would let interested residents retrofit their homes with rain barrels or rain cisterns to help decrease flooding and encourage residents and developers to be proactive in using stormwater. The cost for such an incentive program depends entirely on its size and the amount the City is willing to offset. It should be noted, however, that since the

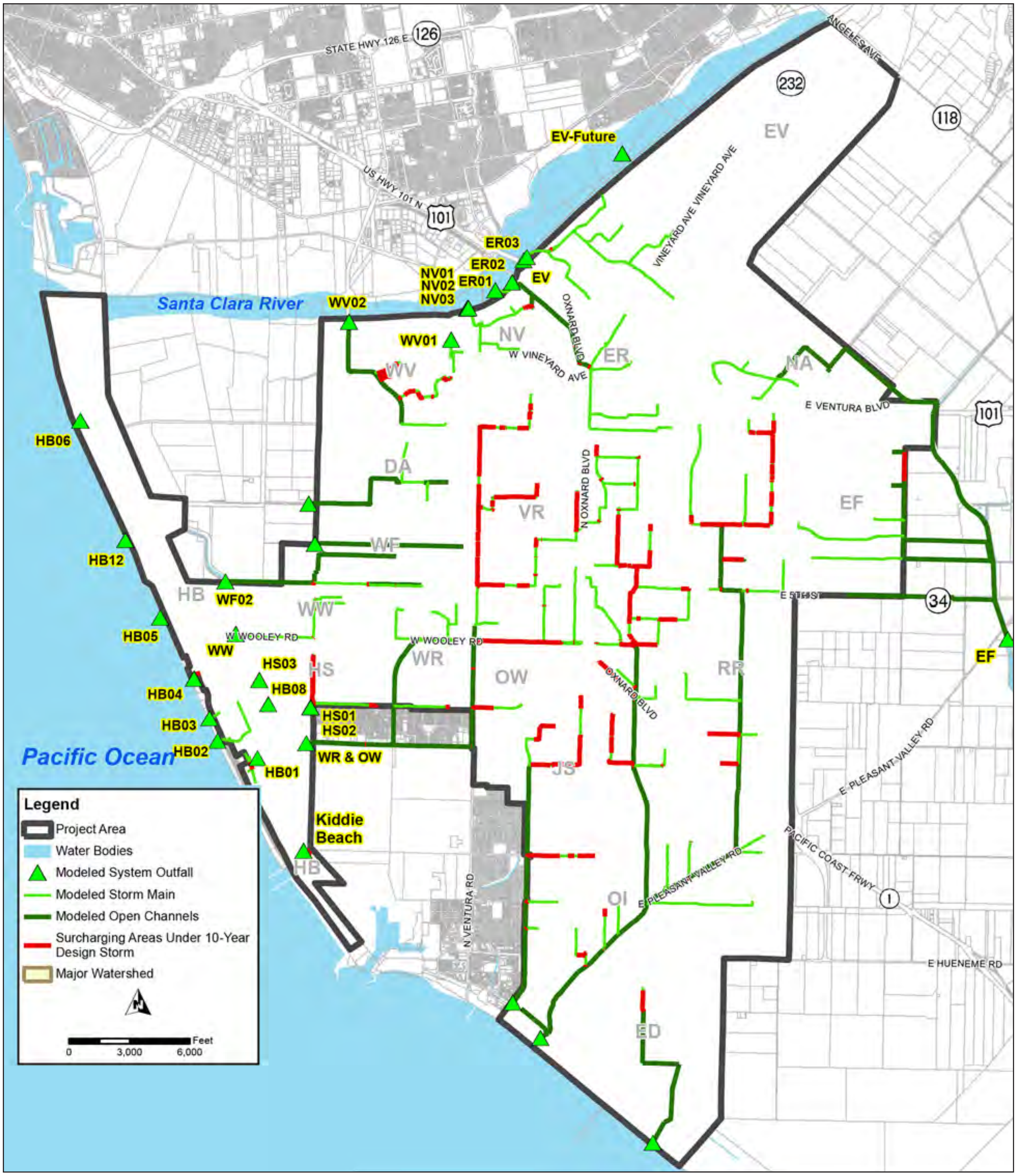

Figure 14. Capacity upgrades needed for 10-year design storm under 2040 conditions.

City of Oxnard is located on a shallow perched aquifer, this Integrated Master Plan recommends that any incentive program focus on onsite capture and irrigation use instead of infiltration to decrease customers' potable water use.

Integrated Overarching Systems

For this Integrated Master Planning effort, several overarching systems were reviewed and evaluated for upgrades. For instance, the planning effort included upgrades to the **Supervisory Control and Data Acquisition** (SCADA) systems for the water and wastewater systems to match the state-of-the art system currently installed in the Advanced Water Purification Facility. The City's **security systems** were reviewed and guidelines/recommendations were made to enhance security for the City's facilities.

In addition, the planning effort made several recommendations for updating the City's **data managements systems**. These recommendations included upgrades to the City's Geographical Information System database and Computerized Maintenance and Management System for accurate and timely tracking and managing of the City's water assets.

Several overarching systems were reviewed and evaluated for upgrades.

7. SUMMARY OF RECOMMENDED CAPITAL IMPROVEMENT PLAN COSTS AND IMPLEMENTATION SCHEDULE

In combining the water system utility plans to produce the Integrated Master Plan, the City developed a Capital Improvement Plan that provides a cost-effective, reliable, resilient, and highly functioning water infrastructure for the next 25 years. The exact timing of the CIP's phases depends on many factors, including the rate of population growth, the timing and performance standards of future regulatory requirements, the outstanding planning considerations mentioned previously, and the development of new technologies and associated reliabilities. This Integrated Master Plan has built-in flexibility to accommodate these anticipated changes.

Table 3 summarizes the Capital Improvement Plan project costs by implementation timing for the recommended projects. Timing for designing and constructing the Integrated Master Plan facilities can be seen in the CIP provided herein.

Table 3. Recommended Overall Capital Improvement Plan for the City's Integrated Master Plan

PLAN IMPLEMENTATION TIMING	Years 1 to 2 (FY 2017/18 - 2018/19)	Years 3 to 5 (FY 2019/20 - 2021/22)	Years 6 to 10 (FY 2022/23 - 2026/27)	Years 11-16 (FY 2027/28 - 2032/33)	Years 17-23 (FY 2033/34 - 2039/40)	Total[1]
Water	$3,175,000	$61,839,333	$62,527,333	$19,238,333	$80,600,000	$227,380,000
Wastewater[1]	$8,405,000	$68,425,064	$244,311,000	$58,908,334	$112,983,933	$493,033,330
Recycled Water	$11,166,667	$81,033,333	$57,500,000	$80,500,000	$22,200,000	$252,400,000
Stormwater	$8,363,333	$18,118,000	$2,936,667	$1,338,000	$1,930,000	$32,686,000
Total by Phase	**$31,110,000**	**$229,415,730**	**$367,275,000**	**$159,984,667**	**$217,713,933**	**$1,005,499,330**

(1) Project costs correspond to refinements and updates provided by City after Dec. 2015 publication date.

8. SUMMARY

The projects/programs/policies recommended in this Integrated Master Plan support the City's positions and most current thinking, direction, and needs related to the master planning drivers. However, these factors could change depending on the outcome of several key outstanding planning considerations. Carollo has noted four key outstanding planning considerations that could particularly affect the outcome, timing, and phasing of the policies, projects, and programs noted in this Integrated Master Plan. These key considerations are listed and described below.

> Carollo has noted four key outstanding planning considerations that could particularly affect the outcome, timing, and phasing of the policies, projects, and programs noted in this Integrated Master Plan.

- **Eventual location of all or parts of the Wastewater Treatment Plant.** Two major options are being considered: 1) continue treatment in the same location by repairing and replacing most of the facilities, or 2) relocate treatment, all or parts of it, to a completely new site. Not only would continuing in the same location require most of the major processes to be repaired and replaced, but potential seawater intrusion from rising sea levels is also a concern. Conversely, relocating all or parts of the plant to a new site reduces site issues, but it also presents a challenge in implementation. Many of the existing Wastewater Treatment Plant facilities need to be upgraded immediately due to age and condition. Constructing new facilities at a new site would require a longer lead-time to acquire the land and plan, design, and implement the facilities.
- **Regulatory considerations for the existing Wastewater Treatment Plant/Advanced Water Purification Facility outfall based on overall water infrastructure operation.** As more water is proposed for reuse throughout the City and regional area instead of being discharged to the ocean, unintended consequences may arise from trying to meet the end-of-pipe requirements in the City's outfall. Impacts could include limits on the Advanced Water Purification Facility's ultimate capacity, the need to nitrify and denitrify the secondary effluent before discharge, and changes in local limits for industrial users. Although preliminary potential mitigation measures have been explored through this Integrated Master Plan, conversations with regulators must continue until an approach providing the most cost-effective and reliable benefit is determined.
- **The Fox Canyon Groundwater Management Agency and future groundwater allocations.** Developing a sustainable water supply for the City's future depends on the long-term yield of the existing groundwater basin and the allocation apportioned to the City, which are closely tied to the drought conditions and the availability of the natural supply. Thus, this Integrated Master Plan used certain assumptions about future allocations to consider the best- and worst-case conditions and to provide flexibility for working with these parameters. However, the future of groundwater is highly uncertain and must be monitored frequently to ensure the City's ability to plan for changes as they occur. It must also be noted that because of the 2015 Groundwater Management Act, changes are imminent but are not fully defined at this time.
- **Future of imported Calleguas and Metropolitan Water District (MWD) of Southern California water.** As the drought continues, regional water authorities have discussed the best ways to address the region's future water supply. For example, MWD is considering adding both indirect potable reuse and seawater desalination plants in its area. Therefore, the City continues to stay up-to-date on the possibilities of regional desalting and/or desalination facilities, which could provide an alternative supply of drinking water to the City. This would allow for some of the Advanced Water Purification Facility's capacity to be used for more potable offset or for groundwater replenishment.

Capital Improvement Plan

Table B1 Potable Water System Capital Improvements Program (CIP) Projects

Project ID 2017	Project ID 2015	Project Name	Project Description	Driver	Start Year	Years to Implement	Total	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
			Production Total				**$47,590,000**	**$1,955,000**	**$13,705,000**	**$30,350,000**	**$1,580,000**	**$0**
W-1	W-P-35	Existing desalter upgrades	Membrane replacement, CIP automation, electric valve actuator replacements, discharge piping reconfiguration	R&R	2017	5	$5,000,000	$930,000	$4,070,000	$0	$0	$0
W-2	W-P-28 W-P-40	Desalter, piping and permeate tank cathodic protection	Investigate requirements for electrical isolation and CP of buried piping and RO finished water, and design and install capital project as warranted; Replacement of CP system at WTP and steel permeate tank	R&R	2020	2	$110,000	$0	$110,000	$0	$0	$0
W-3	W-P-62 W-P-65	Expand water treatment facility and storage (incl. booster pump station)	Expand disinfection system at Blending Station 1/6. Install new 1.5 MG storage reservoir for finished water. Install new booster pump station for new storage tank	Water Supply	2021	8	$6,600,000	$0	$500,000	$5,100,000	$1,000,000	$0
W-4	W-P-19	Blending Station #2 upgrade	R&R of mechanical, electrical, and AUX equipment	R&R	2028	1	$430,000	$0	$0	$0	$430,000	$0
W-5	W-P-20	Blending Stations #1 and #6 upgrade	R&R of wells, mechanical, electrical, and AUX equipment	R&R	2018	4	$3,400,000	$850,000	$2,550,000	$0	$0	$0
W-6	W-P-21	Water System CMMS	Water CMMS System (City Works)	R&R	2017	3	$300,000	$175,000	$125,000	$0	$0	$0
W-7	W-P-22	Water System SCADA Improvements	Perform water SCADA system improvements (design and implementation plan year 1)	R&R	2020	5	$5,000,000	$0	$2,000,000	$3,000,000	$0	$0
W-8		Security Improvements at Water Yard and Blending stations	Access Control, Cameras		2020	5	$500,000	$0	$250,000	$250,000	$0	$0
W-9		Chemical Tank Replacements	Replacement of chemical tanks (required every 10 years)	R&R	2025	3	$450,000	$0	$0	$300,000	$150,000	$0
W-10	W-P-32	Blending Station #3 Rehabilitation	R&R of wells, mechanical, electrical, and AUX equipment, VFD replacement	R&R	2019	2	$2,500,000	$0	$2,500,000	$0	$0	$0
W-11	W-P-33	Blending Station #4 Rehabilitation	Pumps, mechanical, electrical, and AUX equipment, VFD	R&R	2019	2	$400,000	$0	$400,000	$0	$0	$0
W-12	W-P-34	Blending Station #5 Rehabilitation	Mechanical, electrical, and AUX equipment	R&R	2019	2	$200,000	$0	$200,000	$0	$0	$0
W-13	W-P-61	Construct 3 new potable wells at BS 1/6	Add potable water wells, land management	Water Supply	2020	7	$11,000,000	$0	$1,000,000	$10,000,000	$0	$0
W-14	W-P-66	Construct 2 new potable wells (BS 1/6) and 1 new stainless steel well at BS 3	Add potable water wells	Water Supply	2023	4	$11,700,000	$0	$0	$11,700,000	$0	$0
			Transmission Total				**$2,405,000**	**$405,000**	**$1,620,000**	**$380,000**	**$0**	**$0**
W-15	W-P-23 W-P-36 W-P-37	Del Norte Transmission Main Cathodic Protection (CP)	Install 20 missing test stations; Replace rectifiers and anodes and resurvey; Locate and repair discontinuity near the east end of the Del Norte PI	R&R	2019	2	$450,000	$0	$450,000	$0	$0	$0

Project ID 2017	Project ID 2015	Project Name	Project Description	Driver	Start Year	Years to Implement	Total	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
W-16	W-P-26	Gonzalez 36-inch Pipeline CP	Replace the seized test traffic box lids; test the CP system	R&R	2018	1	$5,000	$5,000	$0	$0	$0	$0
W-17	W-P-27 W-P-10 W-P-5 W-P-6	Oxnard Conduit CP	Excavate & install new test stations at BFV near Del Norte connection, 9+10, 39+10, 57+45, 69+50, 111+50, 165+20; Install new test stations in ex manhole at 284+80; Corrosion engineer to conduct Close Interval Survey (CIS); Replace deep anode beds at Rectifiers #1 , #2, & #3; Locate, excavate, and bond across approximately three (3) points of electrical isolation	R&R	2017	4	$890,000	$400,000	$490,000	$0	$0	$0
W-18	W-P-38 W-P-39	Wooley Road / United CP	Replace 5 test stations and add 2 new stations; Replace rectifier and anode; resurvey	R&R	2020	1	$160,000	$0	$160,000	$0	$0	$0
W-19	W-P-7 W-P-24	3rd Street Lateral CP	Replace rectifer and anode bed; resurvey; Replace all test stations at an interval of 1,000-ft minimum and 2,000-ft maximum; Locate & repair discontinuity between 27+88 and South Hayes WTP; Provide electrical isolation at the main treatment plant	R&R	2020	3	$360,000	$0	$310,000	$50,000	$0	$0
W-20	W-P-25 W-P-8	Industrial Lateral CP	Replace all test stations; resurvey	R&R	2020	3	$130,000	$0	$100,000	$30,000	$0	$0
W-21	W-P-11	3rd St 27" UWCD CP	Bond UWCD pipeline to Oxnard Extension at rectifier	R&R	2020	2	$110,000	$0	$110,000	$0	$0	$0
W-22		Condition assessment program	Physical condition assessment of mains program	R&R	2022	5	$300,000	$0	$0	$300,000	$0	$0
			Distribution Total				**$58,965,000**	**$815,000**	**$24,551,000**	**$23,574,000**	**$10,025,000**	**$0**
W-23	W-P-9	Replacement of AMR Devices	Design and construct a new Advance Metering Infrastructure (AMI) system (Cost is possibly reduced by 1/2 if shared with wastewater division)	R&R	2017	7	$22,000,000	$200,000	$13,000,000	$8,800,000	$0	$0

Project ID 2017	Project ID 2015	Project Name	Project Description	Driver	Start Year	Years to Implement	Total	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
W-24		Pipe Capacity Improvements	Pipe capacity improvements for 8-inch to 24-inch pipe	Water Supply	2019	9	$13,040,000	$0	$5,620,000	$6,870,000	$550,000	$0
	W-P-51 W-P-52 W-P-53 W-P-54 W-P-56 W-P-57 W-P-58 W-P-59 W-P-67 W-P-68 W-P-69 W-P-70 W-P-71 W-P-72		Upgrade 322 feet to 8" pipe Upgrade 238 feet to 12" pipe Upgrade 164 feet to 14" pipe Upgrade 3,804 feet to 30" pipe Upgrade 69 feet to 6" pipe Upgrade 391 feet to 8" pipe Upgrade 1,011 feet to 10" pipe Upgrade 2,447 feet to 12" pipe Upgrade 32 feet to 6" pipe Upgrade 233 feet to 8" pipe Upgrade 1,243 feet to 10" pipe Upgrade 997 feet to 12" pipe Upgrade 2,453 feet to 14" pipe Upgrade 937 feet to 24" pipe									
W-25	W-P-12 W-P-13 W-P-14 W-P-15	Neighborhood CIP Pipe Replacement*	Replace existing distribution pipes in La Colonia Neighborhood, Redwood Neighborhood, Fremont North Neighborhood, and Bryce Canyon South Neighborhood	R&R	2018	6	$10,500,000	$615,000	$5,931,000	$3,954,000	$0	$0
W-29		Large Valve Replacement Program	Replace valve 10-inch and larger	R&R	2022	10	$1,926,000	$0	$0	$926,000	$1,000,000	$0
W-30		Small Valve Replacement Program	Replace valves 8-inch and smaller	R&R	2022	10	$3,780,000	$0	$0	$1,780,000	$2,000,000	$0
W-31		Air / Vac Valve Replacement Program	Replace air and vacuum valves and covers	R&R	2022	10	$1,422,000	$0	$0	$672,000	$750,000	$0
W-32		Hydrant Replacement Program	Replace dry barrel hydrants to wet barrel	R&R	2022	10	$1,197,000	$0	$0	$572,000	$625,000	$0
W-33	W-P-74 W-P-75 W-P-76 W-P-77	North Zone Modifications	Install 1000 feet of 24-inch pipeline from BS#3 to the North Pressure Zone, Rehab 3 Pressure Reducing Stations (PRS), modify minor piping	Pressure Zone Separation	2027	4	$1,100,000	$0	$0	$0	$1,100,000	$0
W-34	W-P-78 W-P-79 W-P-80 W-P-81	Coast Zone Modifications	Install 3000 feet of 8-inch pipeline, construct 3 new Pressure Reducing Stations (PRS), modify minor piping	Pressure Zone Separation	2027	4	$1,600,000	$0	$0	$0	$1,600,000	$0
W-35	W-P-82 W-P-83 W-P-84 W-P-85	South Zone Modifications	Install 6000 feet of 8-inch pipeline, construct 3 new Pressure Reducing Stations (PRS), modify minor piping	Pressure Zone Separation	2027	3	$2,400,000	$0	$0	$0	$2,400,000	$0
				2017 Potable Water System CIP Subtotal			**$108,960,000**	**$3,175,000**	**$3,9876,000**	**$5,4304,000**	**$11,605,000**	**$0**

Project ID 2017	Project ID 2015	Project Name	Project Description	Driver	Start Year	Years to Implement	Total	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
Additional 2015 Projects												
	W-P-1	Electrical Rehabilitation - Well Nos. 30, 32, 33 & 34		Operations Optimization	2026	1.5	$1,000,000	$0	$0	$666,667	$333,333	$0
	W-P-2	Sodium Hypochlorite Piping Replacement		Operations Optimization	2022	1.5	$30,000	$0	$0	$30,000	$0	$0
	W-P-4	Generator and ATS Service		Operations Optimization	2019	1.5	$20,000	$0	$20,000	$0	$0	$0
	W-P-16	Fire Flow Improvements - Install/Replace 18,500 feet of 8" pipe		R&R	2020	2	$4,600,000	$0	$4,600,000	$0	$0	$0
	W-P-17	Fire Flow Improvements - Install/Replace 13,500 feet of 12" pipe		R&R	2020	2	$4,400,000	$0	$4,400,000	$0	$0	$0
	W-P-18	Fire Flow Improvements - Install 250 feet of 14" pipe		R&R	2020	1	$100,000	$0	$100,000	$0	$0	$0
	W-P-64	Blend Station Tie-In (@ Blending Station 1/6)		Water Supply	2022	1	$250,000	$0	$0	$250,000	$0	$0
	W-P-60	Construct new concentrate line from Oxnard Wastewater Treatment Plant (OWTP) to Blending Station 1/6		Water Supply	2020	3	$18,800,000	$0	$12,533,333	$6,266,667	$0	$0
	W-P-28	Blending Station 1/6 - Install electrical isolation at all steel and cast iron water risers		R&R	2022	2	$30,000	$0	$0	$30,000	$0	$0
	W-P-30	Well 23 & 31 Rehabilitation		R&R	2022	1.5	$210,000	$0	$0	$210,000	$0	$0
	W-P-31	Wells Electrical & Variable Frequency Drive (VFD) Replacement		R&R	2022	1.5	$770,000	$0	$0	$770,000	$0	$0
	W-P-41	Age Replacement- 109,100 feet of 6" pipe		R&R	2033	2	$25,500,000	$0	$0	$0	$0	$25,500,000
	W-P-42	Age Replacement - 47,000 feet of 8" pipe		R&R	2034	2	$11,700,000	$0	$0	$0	$0	$11,700,000
	W-P-43	Age Replacement - 55,000 feet of 10" pipe		R&R	2035	2	$17,100,000	$0	$0	$0	$0	$17,100,000
	W-P-44	Age Replacement - 24,000 feet of 12" pipe		R&R	2036	2	$7,900,000	$0	$0	$0	$0	$7,900,000
	W-P-45	Age Replacement - 2,300 feet of 14" pipe		R&R	2037	1	$900,000	$0	$0	$0	$0	$900,000
	W-P-46	Age Replacement - 4,000 feet of 16" pipe		R&R	2037	1	$1,700,000	$0	$0	$0	$0	$1,700,000
	W-P-47	Age Replacement - 3,700 feet of 24" pipe		R&R	2037	2	$2,300,000	$0	$0	$0	$0	$2,300,000

Project ID 2017	Project ID 2015	Project Name	Project Description	Driver	Start Year	Years to Implement	Total	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
	W-P-48	Age Replacement - 5,000 feet of 36" pipe		R&R	2038	2	$3,900,000	$0	$0	$0	$0	$3,900,000
	W-P-49**	Age Replacement - 5,300 feet of 42" pipe		R&R	2038	2	$5,500,000	$0	$0	$0	$0	$5,500,000
	W-P-50**	Age Replacement - 3,800 feet of 48" pipe		R&R	2038	2	$4,100,000	$0	$0	$0	$0	$4,100,000
	W-P-55	Connection to OH / United pipeline		Water Supply	2020	1.5	$310,000	$0	$310,000	$0	$0	$0
	W-P-73	Expand desalter at Blending Station 1/6 to 15 mgd (3.75 mgd expansion)		Water Supply	2028	3	$7,300,000	$0	$0	$0	$7,300,000	$0
				Unmatched 2015 Water Projects Subtotal			**$118,420,000**	**$0**	**$21,963,333**	**$8,223,333**	**$7,633,333**	**$80,600,000**
						Overall Total	**$227,380,000**	**$3,175,000**	**$61,839,333**	**$62,527,333**	**$19,238,333**	**$80,600,000**

Notes:
1. Projects W-25 through @-28 combined into single project ID'ed as W-25.
2. Project start years correspond to refinements and updates provided by City after December 2015 publication date.

Table B2 Wastewater Collection System and Treatment System Capital Improvements Program (CIP) Projects

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
Wastewater Collection System Projects													
C-1	WW-P-6		Central Trunk Manhole Rehabilitation Phase 1	Rehabilitate 47 existing manholes	R&R	2018	1	**$1,410,000**	$1,410,000	$0	$0	$0	$0
C-2	WW-P-13		Central Trunk Manhole Rehabilitation Phase 2[2]	Rehabilitate 27 existing manholes	R&R	2020	1	**$810,000**	$0	$810,000	$0	$0	$0
C-3	WW-P-8		Harbor Blvd Manhole Rehabilitation	Rehabilitate 12 existing manholes	R&R	2019	1	**$100,000**	$0	$100,000	$0	$0	$0
C-4			Pleasant Valley Manhole Rehabilitation	Rehabilitate 14 existing manholes	R&R	2019	1	**$200,000**	$0	$200,000	$0	$0	$0
C-5	WW-P-9		Redwood Tributary Manhole Rehabilitation	Rehabilitate 38 existing manholes	R&R	2019	1	**$300,000**	$0	$300,000	$0	$0	$0
C-6			Annual Existing Manhole Rehabilitation	Various locations throughout the City based on sewer inspection	R&R	2022	5	**$1,000,000**	$0	$0	$1,000,000	$0	$0
C-7	WW-P-16		Rice Avenue Sewer Improvement	Install new 24-inch sewer from Latigo to Camino Del Sol to replace existing 18-inch sewer line.	R&R	2020	2	**$1,300,000**	$0	$1,300,000	$0	$0	$0
C-8	WW-P-1		Existing Sewer Deficient Capacity Replacement	Ventura Road from Doris Avenue to Oxnard Airport	Capacity	2020	2	**$1,755,197**	$0	$1,755,197	$0	$0	$0
C-9	WW-P-2		Existing Sewer Deficient Capacity Replacement	Third Street & Navarro Street	Capacity	2021	1	**$364,869**	$0	$364,869	$0	$0	$0
C-10	WW-P-7		Existing asbestos concrete pipe (ACP) Replacement	Various locations throughout the City	R&R	2019	8	**$4,000,000**	$0	$1,500,000	$2,500,000	$0	$0
C-11			Annual Existing Pipe Repair	Various locations throughout the City based on sewer inspection	R&R	2019	8	**$1,600,000**	$0	$600,000	$1,000,000	$0	$0
C-12			Collection System Chemical Addition	Construct 3 new magnesium hydroxide addition facilities to reduce nuisance odors and protect sewer infrastructure	Performance	2019	2	**$4,400,000**	$0	$4,400,000	$0	$0	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
C-13	WW-P-10 WW-P-18		Devco Development Lift Station	Construct new lift station at Devco development & abandon existing lift station #23. The new lift station will accommodate sewer flows from existing lift station #23, Devco, Village (Wagon Wheel) developments. The lift station cost is $1,500,000 & the City cost is $500,000.	R&R, Performance	2019	1	**$500,000**	$0	$500,000	$0	$0	$0
C-14	WW-P-12		Existing Lift Station #4 (Mandalay & Wooley) Rehabilitation	Install new supervisory control and data acquisition (SCADA) & motor control center (MCC) panels. Install new valve vault door. Rehabilitate wet well coating.	R&R	2019	1	**$500,000**	$0	$500,000	$0	$0	$0
C-15	WW-P-11		Existing Lift Station #6 (Canal) Rehabilitation	Install new pumps. Replace MCC panel. Install new emergency standby generator.	R&R	2019	1	**$500,000**	$0	$500,000	$0	$0	$0
C-16			Existing Lift Station #20 (Beardsley) Rehabilitation	Install new MCC panel and concrete pad.	R&R	2019	1	**$300,000**	$0	$300,000	$0	$0	$0
C-17	WW-P-5		Meter Vault/Vortex Structure Coating Rehabilitation[2]	Rehabilitate coating in meter vault/vortex structure	R&R	2018	1	**$280,000**	$280,000	$0	$0	$0	$0
Additional Wastewater Collection System Projects from 2015 Capital Improvements Program													
	WW-P-3		Project 3: S Victoria Ave and W Hemlock St - Sewers in the Channel Islands Neighborhood		Capacity	2027*	2	**$1,112,267**	$0	$0	$0	$1,112,267	$0
	WW-P-14		Phase 1 Central Trunk replacement		R&R	2033**	2	**$36,500,000**	$0	$0	$0	$0	$36,500,000
	WW-P-15		Phase 2 Central Trunk Replacement		R&R	2036**	2	**$30,000,000**	$0	$0	$0	$0	$30,000,000
						Wastewater Collection System Total		**$86,932,333**	**$1,690,000**	**$13,130,066**	**$4,500,000**	**$1,112,267**	**$66,500,000**

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
Wastewater Treatment System Projects													
--			Accelerated design for renewal improvements (year 6-10)			2018	6	**$15,130,000**	$1,500,000	$86,360,000	$5,000,000		
			Preliminary Treatment/Headworks										
T-1	WW-P-83		Headworks Odor Control System[2]	Install new odor control dampers and fan. Repair existing foul air ductwork.	Small Equipment Replacement	2018	1	**$220,000**	$220,000	$0	$0	$0	$0
T-2	WW-P-67		Headworks Fiberglass Covers Replacement & Concrete Coating Repair[2]	Install new grit chamber & wet well fiberglass covers. Rehabilitate grit chamber & wet well concrete coating. Year 1 to 2: high foot traffic areas. Year 3 to 5: remaining areas.	R&R	2018	2	**$499,100**	$90,000	$409,100	$0	$0	$0
T-3	WW-P-66		Headworks Rehabilitation[2]	Install new odor control system. Enclose bar screen & conveyor areas to minimize odor complaints. Install screen wall along north and west property areas. In 2011, City settled $4.6M lawsuit related to Headworks construction and nuisance odor complaints.	R&R	2020	2	**$7,250,000**	$0	$7,250,000	$0	$0	$0
T-4	WW-P-41		Non-hazardous Waste Receiving Station	New non-hazardous waste receiving station with metering and screening systems	Performance	2026	1	**$2,100,000**	$0	$0	$ 2,100,000	$0	$0
			Primary Treatment										
T-5			Primary Clarifier Rehabilitation	Install new effluent launders. New primary clarifier #4 walkway. Install polymer addition system to improvement primary treatment efficiency.	R&R	2017	1	**$655,000**	$655,000	$0	$0	$0	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
T-6			Primary Clarifier Abandonment	Abandon existing primary clarifiers. Repurpose a portion existing secondary sedimentation tanks as primary clarifiers. Convert remaining secondary sedimentation tanks to membrane bioreactors (MBR).	R&R	N/A	0	**$0**	$0	$0	$0	$0	$0
T-7	WW-P-23		Primary Clarifiers, Old Headworks Structure and Primary Building Demolition[2]	Remove equipment, concrete, piping and electrical systems in old headworks and primary tanks area. Reroute piping and electrical systems	R&R	2025	1	**$7,300,000**	$0	$0	$7,300,000	$0	$0
Secondary Treatment													
T-8			Biotowers Rehabilitation	Install wire wrap or mesh around biotowers to prevent block wall from falling.	R&R	2017	1	**$630,000**	$630,000	$0	$0	$0	$0
T-9	WW-P-20		Biotower Demolition[2]	Remove superstructure, remove concrete below ground, reroute piping and electrical; restore grade	R&R	2023	1	**$2,850,000**	$0	$0	$2,850,000	$0	$0
T-10	WW-P-69		Activated Sludge Tank (AST) Rehabilitation[2]	Install new air flow meters, air control valves, and dissolved oxygen meters.	R&R	2017	1	**$150,000**	$150,000	$0	$0	$0	$0
T-11	WW-P-72 WW-P-74 WW-P-76		Activated Sludge Tank (AST) Upgrades	Replace diffusers and add return sludge piping, aeration piping, gates and controls	R&R, Performance	2023	1	**$4,600,000**	$0	$0	$4,600,000	$0	$0
T-12	WW-P-72		Modify Activated Sludge Tank (AST) for MBR or other technology operation	Partition Tanks, add internal recycle system	Performance	2023	2	**$7,200,000**	$0	$0	$7,200,000	$0	$0
T-13	WW-P-68 WW-P-72		Convert Activated Sludge Tanks conversion to Flow Equalization Tank	Convert existing AST 4 to 8. Remove diffusers and add flow equalization pumps. Concrete repair and	R&R, Performance	2024	1	**$5,525,000**	$0	$0	$5,525,000	$0	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
				seismic retrofit - EQ Tank									
T-14	WW-P-70 WW-P-73		Convert Secondary Clarifiers to Primary Clarifiers	Convert existing secondary clarifiers 6 to 12. Install clarifier mechanisms, replace primary sludge pumps, isolation gates and scum systems. Replace collectors, skimmers, and drives. Concrete repair and re-painting - SSTs.	R&R	2025	1	**$8,300,000**	$0	$0	$8,300,000	$0	$0
T-15			Remove existing Secondary Clarifiers and prepare for new Membrane Bioreactor (MBR) or other Technology	Demolish existing secondary clarifiers 13 to 18. Remove equipment, re-route piping and electrical, reinforce walls of aeration basin, modify inlet and outlet channels	R&R	2023	2	**$7,150,000**	$0	$0	$7,150,000	$0	$0
T-16	WW-P-75 WW-P-97		New MBR or other technology Tanks	Construct new tanks, channels, membranes and piping, pump gallery, pumps, cranes, roof and ventilation systems, aeration blowers	R&R, Resource Sustainability	2023	2	**$57,200,000**	$0	$0	$57,200,000	$0	$0
T-17	WW-P-97		MBR or other Technology Building	New Chemical systems, electrical room, SCADA system, effluent pumps	Resource Sustainability	2023	2	**$12,350,000**	$0	$0	$12,350,000	$0	$0
T-18			Convert Existing Secondary Clarifier to Screening & Transfer Pump Station	Install screen channels for primary effluent, convert to flow equalization basin, add transfer pumping and pipes	R&R	2024	1	**$7,150,000**	$0	$0	$7,150,000	$0	$0
T-19	WW-P-96 WW-P-80 WW-P-81		Disinfection and Effluent Pumping	New Disinfection system, effluent wet well and pumps	Small Equipment Replacement, R&R	2024	1	**$7,215,000**	$0	$0	$7,215,000	$0	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
T-20			Relocate Existing Primary Influent Piping	Connect to main header and re-route to influent channel of clarifiers. Provide controls and valves	R&R	2024	1	**$3,510,000**	$0	$0	$3,510,000	$0	$0
			Solids Treatment										
T-21	WW-P-44 WW-P-45 WW-P-51		Sludge Thickening Facility[2]	Demolish Dissolved Air Flotation Tank (DAFT) structures, gravity thickener tanks and chemical storage. New building with Rotating Drum Screens for primary sludge and Gravity Belt thickeners for waste secondary sludge	R&R, Performance	2026	1	**$24,700,000**	$0	$0	$24,700,000	$0	$0
T-22	WW-P-43		Digester 2 Cover Replacement and Clean Digesters 1 & 3[2]	Install digester 2 cover and clean digester 1 and 3.	R&R	2019	3	**$3,700,000**	$0	$3,700,000	$0	$0	$0
T-23	WW-P-87 WW-P-89		Digesters 1 and 3 Rehabilitation[2]	Replacement of mixing systems, roof and concrete walls repair; heat exchanger upgrades	R&R	2025	2	**$8,500,000**	$0	$0	$8,500,000	$0	$0
T-24	WW-P-40		Replace Belt Filter Presses & Conveyor	Year 1 to 2: Replace two existing belt filter presses. Year 3 to 5: Replace two existing belt filter presses and conveyor.	R&R	2017	4	**$2,610,000**	$1,180,000	$1,430,000	$0	$0	$0
T-25	WW-P-94		FOG Receiving Station[2]	Fats Oils Grease receiving station with tank heaters and pumps, for transfer to digesters	Resource Sustainability	2026	1	**$845,000**	$0	$0	$845,000	$0	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
Pump Station													
T-26	WW-P-22		Interstage Pump Station Rehabilitation[2]	Install new pumps, motors, variable frequency drives. Rehabilitate wet well concrete coating. Upgrade control facility to meet building seismic code.	R&R	2020	2	**$2,087,199**	$0	$2,087,199	$0	$0	$0
T-27			Effluent Pump Station Rehabilitation	Install new isolation valve, pumps, motors, variable frequency drives. Rehabilitate wet well concrete coating. Install bypass piping. Upgrade control facility to meet building seismic code.	R&R	2019	3	**$8,900,000**	$0	$8,900,000	$0	$0	$0
Electrical/Instrumentation													
T-28			Electrical Building ARC Flash Protection	Install temporary 25kV circuit breakers on each side of 16kV and 480 volt transformers.	Performance	2017	2	**$575,000**	$575,000	$0	$0	$0	$0
T-29	WW-P-93		Cogenerators Rehabilitation[2]	Year 1 to 2: Rebuild two existing cogenerators. Year 3 to 5: Rebuild one existing cogenerator.	R&R	2017	3	**$1,215,000**	$810,000	$405,000	$0	$0	$0
T-30	WW-P-32		Electrical/Instrumentation Manhole Rehabilitation	Rehabilitate seven existing electrical and instrumentation manholes.	R&R	2017	1	**$175,000**	$175,000	$0	$0	$0	$0
T-31	WW-P-33		Emergency Standby Generator Replacement[2]	Install new emergency standby generator	R&R	2020	2	**$5,000,000**	$0	$5,000,000	$0	$0	$0
T-32	WW-P-34		Plant Motor Control Center (MCC) Panel Replacement[2]	Install new MCC panels	R&R	2020	2	**$2,087,199**	$0	$2,087,199	$0	$0	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
T-33	WW-P-30 WW-P-31		New Main Electrical Building[2]	New Building; new transformers; reroute electrical duct banks and run new cabling; new Automatic transfer switches; demolish old electrical building and equipment, and restore grade.	R&R	2020	2	**$6,000,000**	$0	$6,000,000	$0	$0	$0
T-34	WW-P-59		New North Electrical Building	New Building; new Motor Control Centers	R&R	2024	2	**$4,400,000**	$0	$0	$4,400,000	$0	$0
T-35			Site Electrical Improvements	Install cables, duct banks, and wiring	R&R	2024	3	**$10,920,000**	$0	$0	$10,920,000	$0	$0
T-36	WW-P-39		Computerized Maintenance Management System (CMMS)	Install new CMMS system for plant maintenance record keeping, including work scheduling, equipment records keeping, labor hours, and costs.	R&R	2017	1	**$300,000**	$300,000	$0	$0	$0	$0
T-37	WW-P-35		Supervisory Control and Data Acquisition and (SCADA) System	Temporary convert existing fiber network to Ethernet to prevent SCADA drop-out.	R&R	2017	1	**$225,000**	$225,000	$0	$0	$0	$0
T-38	WW-P-35		New SCADA System	Install new SCADA system	R&R	2020	2	**$4,946,500**	$0	$4,946,500	$0	$0	$0
T-39	WW-P-35		New Supervisory Control and Data Acquisition (SCADA) system	Replace plant-wide SCADA systems and PLCs with current technology. Reprogram all processes for new Plant Control System	R&R	2024	2	**$9,620,000**	$0	$0	$9,620,000	$0	$0
Site Work													
T-40	WW-P-42		Site Piping Replacements	Install new process water piping, buried valves, fire line.	R&R	2020	5	**$23,970,000**	$0	$1,350,000	$22,620,000	$0	$0
T-41			Site Security	Install site cameras, security fencing, building locks	R&R	2019	2	**$1,000,000**	$0	$1,000,000	$0	$0	$0
T-42			Storm water Site Improvements		R&R	2019	3	**$2,100,000**	$0	$2,100,000	$0	$0	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
Building													
T-43			Laboratory HVAC Unit	Install new 20-ton HVAC unit.		2017	1	**$205,000**	$205,000	$0	$0	$0	$0
T-44	WW-P-57		New Chemical Storage Building[2]	Demolish old structures, Centralized chemical storage, new storage tanks, pumps and piping to various processes	R&R	2026	1	**$2,730,000**	$0	$0	$2,730,000	$0	$0
T-45	WW-P-56		Collection System Maintenance Building Rehabilitation[2]	Rehabilitate existing building to meet building code requirements.	R&R	2026	1	**$500,000**	$0	$0	$500,000	$0	$0
T-46	WW-P-49		Administration Building and Laboratory Rehabilitation[2]	Rehabilitate existing building to meet building code requirements.	R&R	2025	1	**$850,000**	$0	$0	$850,000	$0	$0
T-47			Plant Control Center Building Rehabilitation	Rehabilitate existing building to meet building code requirements.	R&R	2025	1	**$850,000**	$0	$0	$850,000	$0	$0
T-48	WW-P-58		Maintenance Building Rehabilitation	Rehabilitate existing building to meet building code requirements.	R&R	2026	1	**$500,000**	$0	$0	$500,000	$0	$0
T-49	WW-P-27 WW-P-28		Storage Warehouse Building	New storage warehouse building	R&R	2026	1	**$1,500,000**	$0	$0	$1,500,000	$0	$0
Additional Wastewater Projects from 2015 Capital Improvements Program													
	WW-P-84	Preliminary Treatment	Small Equipment Replacement - Headworks 2		Small Equipment Replacement	2023*	3	**$6,306,000**	$0	$0	$6,306,000	$0	$0
	WW-P-21	Secondary Treatment	Add Baffle Walls in ASTs		R&R	2027*	1	**$380,000**	$0	$0	$0	$380,000	$0
	WW-P-95	Secondary Treatment	Coating Replacement on Chlorine Contact Tanks		R&R	2028*	2	**$1,359,000**	$0	$0	$0	$1,359,000	$0
	WW-P-79	Secondary Treatment	Small Equipment Replacement - wet weather storage 2		Small Equipment Replacement	2026*	3	**$527,000**	$0	$0	$175,667	$351,333	$0
	WW-P-98	Secondary Treatment	Add UV/AOP after MBR		Resource Sustainability	2026*	2	**$13,200,000**	$0	$0	$6,600,000	$6,600,000	$0
	WW-P-46	Solids Treatment	Demolish Operations Center and Vac Filter Building		R&R	2027*	1	**$448,000**	$0	$0	$0	$448,000	$0

Project ID 2017	Project ID 2015	Unit Operation	Project Name	Project Description	Driver	Start Year	Years to Implement	Total Un-escalated Project Cost	Years 1 to 2 (FY2017/18-2018/19)	Years 3 to 5 (FY2019/20-2021/22)-	Years 6 to 10 (FY2022/23-2026/27)	Years 11 to 16 (FY2027/28-2032/33	Years 17 to 23 (FY20363/34-2039/40)
	WW-P-88	Solids Treatment	New Digester 2		R&R	2030*	3	**$12,950,000**	$0	$0	$0	$12,950,000	$0
	WW-P-90	Solids Treatment	New Digester Control Building		R&R	2029*	5	**$1,543,000**	$0	$0	$0	$1,234,400	$308,600
	WW-P-47	Solids Treatment	Move Dewatering Facility and add New Centrifuges		Performance	2030*	3	**$23,370,000**	$0	$0	$0	$23,370,000	$0
	WW-P-48	Solids Treatment	Add Dewatering Capacity		Performance	2030*	3	**$2,160,000**	$0	$0	$0	$2,160,000	$0
	WW-P-50	Solids Treatment	Add Sludge Silos		Performance	2032*	3	**$6,370,000**	$0	$0	$0	$2,123,333	$4,246,667
	WW-P-91	Electrical / Instrumentation	New Cogen Building		R&R	2032*	3	**$4,630,000**	$0	$0	$0	$1,543,333	$3,086,667
	WW-P-36	Electrical / Instrumentation	Small Equipment Replacement - Electrical 1		Small Equipment Replacement	2028*	2	**$275,000**	$0	$0	$0	$275,000	$0
	WW-P-37	Electrical / Instrumentation	Small Equipment Replacement - Electrical 2		Small Equipment Replacement	2032*	2	**$626,000**	$0	$0	$0	$313,000	$313,000
	WW-P-38	Electrical / Instrumentation	Small Equipment Replacement - Electrical 3		Small Equipment Replacement	2036*	2	**$653,000**	$0	$0	$0	$0	$653,000
	WW-P-92	Electrical / Instrumentation	Small Equipment Replacement - Cogen		Small Equipment Replacement	2026*	3	**$2,233,000**	$0	$0	$744,333	$1,488,667	$0
	WW-P-60	Building	Rehab Grit Screening Building - Seismic Retrofit		R&R	2027*	2	**$1,866,000**	$0	$0	$0	$1,866,000	$0
	WW-P-65	Building	Plant Paving Resurfacing		R&R	2030*	3	**$410,000**	$0	$0	$0	$410,000	$0
	WW-P-99	Building	Solar or Alternative Energy Facility		Resource Sustainability	2027*	10	**$1,540,000**	$0	$0	$0	$924,000	$616,000
	WW-P-100		Seawall		Resource Sustainability	2033	5	**$37,260,000**		$0	$0	$0	$37,260,000
							Wastewater Treatment Total	**$406,100,998**	**$6,715,000**	**$55,294,998**	**$239,811,000**	**$57,796,067**	**$46,483,933**
							Wastewater Treatment System and Collection System Total	**$493,033,331**	**$8,405,000**	**$68,425,064**	**$244,311,000**	**$58,908,334**	**$112,983,933**

Notes:
1. 2017 Project ID's were arbitrarily assigned for Project ease. C = Collection System Project; T = Treatment System Project.
2. Projects and costs correspond to refinements and updates provided by City after December 2015 publication date. Costs may not correspond to project costs in PM 1.4 Basis of Cost.
3. Projects approved by Council in 2017 Cost of Service Rate studies.
4. Costs were equally split between years to implement.

*Projects start year correspond to refinements and updates provided by City after December 2015 publication date.
**Projects start year was adjusted by City at August 7, 2017 meeting, based on recent CCT inspection.

Table B3 Recycled Water Capital Improvements Program (CIP) Projects

Project ID	Project Name	Driver	Start Year[1]	Years to Implement	Total	Years 1 to 2 (FY2017/18-2018/19)[2]	Years 3 to 5 (FY2019/20-2021/22)[2]	Years 6 to 10 (FY2022/23-2026/27)[2]	Years 11 to 16 (FY2027/28-2032/33[2]	Years 17 to 23 (FY20363/34-2039/40)[2]
RW-P-1	Recycled Water Retrofits	R&R	2019	6	$4,000,000	$0	$2,000,000	$2,000,000	$0	$0
RW-P-2	Phase 1 Advanced Water Purification Facility (AWPF) Improvements (Disinfection conversion, security, A/V upgrade)	R&R	2020	2	$1.000,000	$0	$1,000,000	$0	$0	$0
RW-P-3	UV/Advanced Oxidation Process Brine Treatment	Water Supply	2023	3	$5,700,000	$0	$0	$5,700,000	$0	$0
RW-P-4	Construct Aquifer Storage and Recovery (ASR) Demonstration Well @ Campus Park Site (and associated monitoring wells)	Water Supply	2018	3	$4,400,000	$1,466,667	$2,933,333	$0	$0	$0
RW-P-5	Land Acquisition and Improvements - Near Blending Station 1/6 & 3	Water Supply	2020	2	$10,000,000	$0	$10,000,000	$0	$0	$0
RW-P-6	Recycled Water Pond for Off-Spec Water at Campus Park	Water Supply	2021	1.5	$1,600,000	$0	$1,066,667	$533,333	$0	$0
RW-P-7	Phase 2 - Expansion of AWPF to 12.5 mgd (including backup power)	Water Supply	2020	3	$27,500,000	$0	$18,333,333	$9,166,667	$0	$0
RW-P-8	Recycled Water Storage @ AWPF	Water Supply	2019	4	$8,000,000	$0	$6,000,000	$2,000,000	$0	$0
RW-P-9	Construct 1 duty + 1 standby ASR Wells @ Campus Park	Water Supply	2021	3	$7,800,000	$0	$2,600,000	$5,200,000	$0	$0
RW-P-10	Construct 1 duty + 1 standby ASR Wells @ Campus Park	Water Supply	2025	3	$7,800,000	$0	$0	$5,200,000	$2,600,000	$0
RW-P-11	Construct 1 duty + 1 standby ASR Wells @ Blending Station 1/6	Water Supply	2022	2	$7,800,000	$0	$0	$7,800,000	$0	$0
RW-P-12	Chemical Feed Expansion @ Blending Station 1/6	Water Supply	2022	2	$ 300,000	$0	$0	$300,000	$0	$0
RW-P-13	Operational Storage for ASR Wells @ Blending Station 1/6	Water Supply	2022	2	$2,100,000	$0	$0	$2,100,000	$0	$0
RW-P-14	Booster Pumping for ASR @ Blending Station 1/6	Water Supply	2022	2	$7,200,000	$0	$0	$7,200,000	$0	$0
RW-P-15	Construct 1 duty + 1 standby ASR Wells @ Blending Station 1/6	Water Supply	2024	1.5	$7,800,000	$0	$0	$7,800,000	$0	$0
RW-P-16	Rehabilitate Well 18 @ River Ridge Golf Course to Groundwater Recharge Well	Water Supply	2022	2	$2,500,000	$0	$0	$2,500,000	$0	$0
RW-P-17	Phase 3 - Expand AWPF to 18.75 mgd	Water Supply	2029	2.5	$28,100,000	$0	$0	$0	$28,100,000	$0
RW-P-18	Construct 2 duty + 1 standby ASR Wells @ Blending Station 1/6	Water Supply	2029	2	$11,500,000	$0	$0	$0	$11,500,000	$0
RW-P-19	Construct 2 duty + 1 standby ASR Wells @ Blending Station 3	Water Supply	2029	2.5	$11,500,000	$0	$0	$0	$11,500,000	$0
RW-P-20	Chemical Feed Expansion @ Blending Station 3	Water Supply	2029	2.5	$ 500,000	$0	$0	$0	$500,000	$0
RW-P-21	Operational Storage for ASR Wells @ Blending Station 3	Water Supply	2029	2.5	$2,100,000	$0	$0	$0	$2,100,000	$0
RW-P-22	Booster Pumping for ASR @ Blending Station 3	Water Supply	2029	2.5	$7,200,000	$0	$0	$0	$7,200,000	$0
RW-P-23	Construct 2 duty + 1 standby ASR Wells @ Blending Station 3	Water Supply	2031	1.5	$11,500,000	$0	$0	$0	$11,500,000	$0
RW-P-24	Connect Initial ASR Well at Campus Park to Recycled Water Backbone Line in Ventura Road - 2,000 feet of 20" pipe	Water Supply	2017	2	$700,000	$700,000	$0	$0	$0	$0
RW-P-25	Construct Dedicated Indirect Potable Reuse (IPR) Pipeline from Campus Park to Blending Station 1/6 - 4,000 feet of 24" pipe	Water Supply	2017	2	$2,500,000	$2,500,000	$0	$0	$0	$0
	Hueneme Road - Phase 2 Recycled Water Pipeline Expansion to Ag Users					$0	$0	$0	$0	$0
RW-P-26	Install 20,700 feet of 24" pipe	Water Supply	2019	2	$12,900,000	$0	$12,900,000	$0	$0	$0
RW-P-27	Install 16,000 feet of 36" pipe	Water Supply	2018	2	$13,000,000	$6,500,000	$6,500,000	$0	$0	$0
	Recycled Water Loop to ASR Sites					$0	$0	$0	$0	$0
RW-P-28	Install 9,000 feet of 24" pipe	Water Supply	2020	2	$7,500,000	$0	$7,500,000	$0	$0	$0
RW-P-29	Install 19,700 feet of 30" pipe	Water Supply	2020	2	$10,200,000	$0	$10,200,000	$0	$0	$0
RW-P-30	Direct Potable Reuse - 3, 3.1 million gallon Storage Tanks	Water Supply	2036	3	$22,200,000	$0	$0	$0	$0	$22,200,000
RW-P-31	Recycled Water Loop to Blending Station 3 Connection – Install 10,600 feet of 24" pipe	Water Supply	2029	1	$5,500,000	$0	$0	$0	$5,500,000	$0
	Recycled Water Capital Improvements Program Projects Total				$252,400,000	$11,166,667	$81,033,333	$57,500,000	80500000	$22,200,000

Notes:
1. Project start years adjusted with City input and do not correspond to December 2015 publication start years.
2. Costs were equally split between years to implement.

Table B4 Stormwater Capital Improvements Program (CIP) Projects

Project ID	Project Name	Driver	Start Year	Years to Implement	Total	Years 1 to 2 (FY2017/18-2018/19)(1)	Years 3 to 5 (FY2019/20-2021/22)(1)	Years 6 to 10 (FY2022/23-2026/27)(1)	Years 11 to 16 (FY2027/28-2032/33)(1)	Years 17 to 23 (FY20363/34-2039/40)(1)
SW-P-1	Drainage Basin: WV - Length 444 ft	Capacity	2020(2)	2	$173,000	$0	$173,000	$0	$0	$0
SW-P-2	Drainage Basin: WV - Length 748 ft	Capacity	2038	2	$439,000	$0	$0	$0	$0	$439,000
SW-P-3	Drainage Basin: OI - Length 607 ft	Capacity	2020(2)	2	$237,000	$0	$237,000	$0	$0	$0
SW-P-4	Drainage Basin: RR - Length 2,436 ft	Capacity	2020(3)	2	$2,621,000	$0	$2,621,000	$0	$0	$0
SW-P-5	Drainage Basin: OI - Length 2,388 ft	Capacity	2038	2	$1,491,000	$0	$0	$0	$0	$1,491,000
SW-P-6	Drainage Basin: VR - Length 5,872 ft	Capacity	2018(2)	2	$5,768,000	$2,884,000	$2,884,000	$0	$0	$0
SW-P-7	Drainage Basin: JS - Length 1,421 ft	Capacity	2018(2)	2	$968,000	$484,000	$484,000	$0	$0	$0
SW-P-8	Drainage Basin: JS - Length 1,292 ft	Capacity	2020(2)	2	$885,000	$0	$885,000	$0	$0	$0
SW-P-9	Drainage Basin: JS - Length 426 ft	Capacity	2020(2)	2	$292,000	$0	$292,000	$0	$0	$0
SW-P-10	Drainage Basin: JS - Length 457 ft	Capacity	2020(2)	2	$313,000	$0	$313,000	$0	$0	$0
SW-P-11	Drainage Basin: JS - Length 655 ft	Capacity	2020(2)	2	$449,000	$0	$449,000	$0	$0	$0
SW-P-12	Drainage Basin: JS - Length 701 ft	Capacity	2020(2)	2	$480,000	$0	$480,000	$0	$0	$0
SW-P-13	Drainage Basin: HS - Length 1,552 ft	Capacity	2020(2)	2	$606,000	$0	$606,000	$0	$0	$0
SW-P-14	22 assets identified in the condition assessment	R&R	2018(2)	2	$3,324,000	$1,662,000	$1,662,000	$0	$0	$0
SW-P-15	Dry Weather Diversion Structure	Resource Sustainability	2021	3	$370,000	$0	$123,333	$246,667	$0	$0
SW-P-16	City-Wide Incentive Program	Resource Sustainability	2021	10	$2,420,000	$0	$242,000	$1,210,000	$968,000	$0
SW-P-17	Santa Clara River Total Maximum Daily Load (TMDL) Infiltration Basin	Resource Sustainability	2023	5	$1,850,000	$0	$0	$1,480,000	$370,000	$0
SW-P-18(4)	Mandalay Beach Areas	Capacity	2018	3	$10,000,000	$3,333,333	$6,666,667	$0	$0	$0
	Stormwater Capital Improvements Program Projects Total				**$32,686,000**	**$8,363,333**	**$18,118,000**	**$2,936,667**	**$1,338,000**	**$1,930,000**

Notes:
1. Costs were equally split between years to implement.
2. Project start year moved two years later compared to 2015 Capital Improvements Program.
3. Project start year adjusted with City input and do not correspond to December 2015.
4. Project added by City after December 2015 version.